

**9pm**  
**Compilation**

**9<sup>th</sup> to 14<sup>th</sup> May, 2022**

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# General

# Studies

# Paper – 1

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## **URBANISATION AND RELATED ISSUES**

### 1. **Time to solve a solvable encroachment problem**

**Source:** The post is based on an article “**Time to solve a solvable encroachment problem**” published in the “**The Hindu**” on **11th May 2022**.

**Syllabus:** GS3 – **Infrastructure**, Road Transport etc.

**Relevance:** Urban Menace, Traffic and Parking Issues

**News:** Recently, illegal structures on public land in National Capital Regional of Delhi were razed using bulldozers. This has brought into forefront the major issues of encroachment in the urban areas.

#### **What are the major issues in urban areas?**

##### **Traffic**

The urban spaces are plagued with the problem of vehicular saturation. There is scarcity of land resources and continuing problems of unauthorized parking, blockage of major roads, entry areas like hospital access.

This has been due to the **auto boom** in the Indian Economy since 1991. There are around **350 million vehicles** on roads. Around **47 million** of them are cars which are stationary and occupying space unpaid for.

In India, traffic rules are routinely **flouted**, they are **poorly enforced**. In fact, motorists are often surprised when they are enforced effectively.

##### **Other things**

The urban areas witness the issue of **illegal encroachment**, ‘**squatters’ settlement**’, slum proliferation, among other things.

##### **Way Forward**

**The New Motor Vehicle Act of 2019** should be strictly implemented. It mandates that a vehicle cannot be left at a spot that either impedes or endangers others. The act mentions barred zones which have been broadened to cover footpaths, bus stops, main roads, high-speed routes, entrances of premises and spots near traffic signals, crossings, pedestrian stripes, hilltops, bridges and street bends.

If there is **non-compliance** to the above provisions, the violation can lead to a fine and the towing away of the vehicle left unattended for over 10 hours in a public place, wrecked or abandoned cars.

**Digital India, technologies** like satellite or drone technology among others can be used to spot order and find cause-effect relationships in India’s **chaotic traffic systems**. The government can go for pricing the scarce resource.

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Delhi can roll out a **road-pricing policy** on a pilot basis aimed at **coffer filling** as much as market **discipline**.

The technology like space orbiters and smartphones etc. could be used to provide **real time analysis** of traffic, parking and other aspects. This can be extended to an era of varying tariffs based on demand and supply in real time.

GS1 – SOCIETY – WOMEN RELATED ISSUES

### **MARITAL RAPE AND RELATED ISSUES**

#### 2. **Marital rape is rape: Why modern India still won't accept this**

**Source:** This post is created based on the article “Marital rape is rape: Why modern India still won't accept this” published in Indian Express on 14<sup>th</sup> May 2022.

**Syllabus:** GS Paper -1, Society

**News:** In a recent two-judge bench of the [Delhi High Court gave a split ruling](#) on marital rape. It ensured a future hearing of the matter with a larger bench.

#### **Why marital rape has not been criminalized yet?**

**First**, the concepts of rape and marriage have been seen as mutually exclusive, i.e. they could not be brought together. In the absence of a universal definition of marital rape, marriage has been depicted by only positive aspects like love, cooperation, and healthy sexual relations.

**Second**, even in western countries, marital rape was treated as an exception to the crime of rape till the early 1990s. The Soviet Union was an exception where marital rape was included in the law in the 1920s.

**Third**, taking the women as the property of husbands has been a long-held belief even in western societies. One of the examples of it is the government of India's argument in 2017 that removing the exception to marital rape would “destabilize the institution of marriage”.

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# General

# Studies

# Paper – 2

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### 1. [On marital rape: The importance of consent](#)

**Source:** This post is based on the article “**On marital rape: The importance of consent**” published in **The Hindu** on **13th May 22**.

**Syllabus:** GS2 – Social issues

**Relevance:** Regarding marital rape

**Context:** A split verdict in the Delhi High Court on the question of criminalising marital rape has reignited the controversy over legal protection for disregard of consent for sex within marriage.

#### [What has happened?](#)

Justice Rajiv Shakdher, who headed the Delhi HC Bench, **struck down as unconstitutional the exception to Section 375 of the IPC**, which says that intercourse by a man with his wife aged 18 or above is not rape even if it is without her consent

But, Justice C. Hari Shankar rejected the plea to criminalise marital rape pointing out that any change in the law has to be carried out by the legislature since it requires consideration of social, cultural and legal aspects.

#### [On what points did the judges differ with each other?](#)

Difference of opinion of the judges was on key points such as

- Difficulty in getting evidence
- The importance of consent
- Whether the state’s concerns about safeguarding the institution of marriage were valid, and
- if other laws against sexual violence protected married women, the issues involved may have to be ultimately adjudicated with the help of a third judge or a larger Bench of the High Court or the Supreme Court.

#### [What is the stance of the Central Govt on the issue?](#)

The Union government **has been opposing the removal of the marital rape exception**.

In 2016, it had rejected the concept of marital rape, saying it “**cannot be applied to the Indian context**” due to various reasons, not least because of the “mindset of society to treat marriage as a sacrament”.

However, in the final hearing, the Union government **did not take a stand** on the issue.

#### [What are the opinions of the Delhi HC Bench?](#)

##### **Justice Shakdher’s opinion**

- He says what is defined as rape in law should be labelled as such, irrespective of whether it occurs within or outside marriage.
- He finds that the marital exception violates equality before law, as well as deprives women of the right to trigger a prosecution for non-consensual sex. Besides, it also discriminates among women based on their marital status and robs them of sexual agency and autonomy.



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### Justice Hari Shankar's opinion

In contrast, Justice Hari Shankar's opinion, somewhat disconcertingly, de-emphasises the element of consent and highlights the importance of preserving the institution of marriage to such an extent that he holds that any legislation that keeps rape out of a marital relationship "is immune to interference".

### Way forward

If marriage is regarded as a partnership between equals, an exception in a 162-year-old law should have had no place.

While there are other laws governing civil relationships that legitimise conjugal expectations, these cannot be seen as giving a free pass for violence within marriage, which is essentially what sex without consent is.

Whether the legislative route is more appropriate in making marital rape a criminal offence is a matter of detail.

What is important is that **sexual violence has no place in society**, and the institution of marriage is no exception.

## MATERNAL HEALTH – ABORTION CARE AND RELATED ISSUES

### 2. Still a long way for termination as an unconditional right

**Source:** The post is based on an article "Still a long way for termination as an unconditional right" published in the "The Hindu" on 12th May 2022.

**Syllabus:** GS2 Social Sector, Health Sector; Laws and policies; Important Provisions of the Constitution of India

**Relevance:** Medical Termination Law, Right to Abortion, Right to life etc.

**News:** Recently, the issue of abortion was in the news internationally. This **brings** into picture the legal status of abortions in India.

#### **Legal Status of abortion in India**

Under the **Indian Penal Code (IPC)**, voluntarily causing (if not caused in a good faith) a woman to miscarry is an offence attracting a jail term of up to 3 years or fine or both.

**The Medical Termination of Pregnancy (MTP) Act 1971** was enacted to legalise access to abortion in **certain circumstances**. It provided exceptions to the IPC provisions.

In case of abortion in certain circumstances, the permission to terminate the pregnancy was sought from the judiciary. In various case, the courts had ruled that the **right of a pregnant woman** to decide on the **continuation** of her pregnancy is a part of her **right to health** and **right to life**. Therefore, right is **non-negotiable**.

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Further, The Medical Termination of Pregnancy (MTP) Act 1971 was amended in 2021. It broadened the scope of the law.

### **Circumstances in which medical termination of pregnancy is allowed after amendment 2021**

#### **Grounds**

- (1) If the continuation of the pregnancy involves a risk to the physical, mental health or life of the pregnant woman.
- (2) If the pregnancy is a result of rape or failure of contraceptive used to limit the number of children. The continuation of such a pregnancy can cause grave injury to the mental health of the pregnant woman.
- (3) If the continuation of the pregnancy can cause substantial risk to the infant child in the form of serious physical or mental abnormality.

#### **Different Scenarios**

The pregnancy can be terminated for any of the above reasons keeping into consideration the **gestational age** of the pregnancy. Further, the **medical opinion** of the medical practitioner registered under the MTP Act is also required.

- (1) Up to **20 weeks** of gestational age, opinion of a single registered medical practitioner.
- (2) From 20 weeks up to **24 weeks**, the opinion of **two registered medical practitioners** is required. This is applicable to women, either a survivor of sexual assault/rape or incest, minors, women with major physical disabilities, mentally-ill women, foetal malformation incompatible with life, change of marital status during the ongoing pregnancy, i.e., either widowhood or divorce, etc.
- (3) **Beyond 24 weeks**, the opinion of a **Medical Board** as set up in each State, as per the law, is required. The abortion can be permitted only on the ground of **foetal abnormalities**.
- (4) In exception to all that is stated above, the pregnancy can be terminated at any time by a **single registered medical practitioner** if necessary to **save the life** of the pregnant woman.

#### **What are some associated issues?**

The law does not acknowledge the right of a pregnant person to decide on the discontinuation of a pregnancy.

After **the right to privacy judgment**, it has been argued that the right of a pregnant person to continue a pregnancy or not has to be part of the **right to privacy** and **the right to life**. The amended law is not in sync with this judgment.

The amended law is also not in sync with other central laws such as the laws on persons with disabilities, on mental health and on transgender persons, to name a few.

The amendments did not removed ambiguity between the MTP Act and the Protection of Children from Sexual Offences (POCSO) Act or the Drugs and Cosmetics Act, to name a few.

## **ECONOMIC EMPOWERMENT OF WOMEN**

### 3. **How India is empowering women through policy**

**Source:** The post is based on an article “**How India is empowering women through policy**” published in the **Indian Express** on **10th May 2022**.

**Syllabus:** GS2 Social Sector, Education Sector

**Relevance:** Gender justice and gender egalitarianism

**Context:** The union government has brought into reality the maxim of **sarvajana hitaya, sarvajana sukhaya** (for the good of all, for the happiness of all), especially in the context of the women section of society.

#### **Measures taken by the government**

- The incumbent government has adopted a **system-wide gendered lens** to inform policy praxis.
- The government has worked to elevate the **social status** of women. Women have been recognised as the **head of the household** in the ration cards under the NFSA 2013, and to secure benefits under Pradhan Mantri Awas Yojana (PMAY) and Pradhan Mantri Ujjwala Yojana (PMUY).
- The **Pradhan Mantri Jan Arogya Yojana (PM-JAY)** makes a household without any adult male members eligible for the scheme, removes the cap of five beneficiaries per family that penalised women in larger families and it extends substantial number of health benefits packages that are women-centric in nature.
- The government is challenging the **unequal status quo** and nurturing **nari shakti** by placing assets such as houses and LPGs in the hands of women.

#### **How has the government worked in this direction?**

The government has worked to bridge **gendered data deficits**. The **statistical architecture** of the nation has been rebuilt to **count women**. New gender sensitive data provided gender sensitive inputs in the **policy discourse** in India. This provides a **scaffolding** for **resource allocation** for policy-making.

**First**, the first nationwide **Time Use Survey (TUS)** 2019 has recognized the unpaid work of women devoted to caregiving and domestic services (7.2 hours a day) against the average Indian man’s 2.8 hours

**Second**, the **National Family Health Survey (NFHS)** has undergone comprehensive, methodological renovation. Further, the NFHS-4 and 5 provided crucial information on nutrition, fertility, family planning, reproductive, maternal and child health and mortality parameters.

**Third**, the government has launched the **annual Periodic Labour Force Survey (PLFS)**. This encompasses timely **gender-disaggregated labour force statistics** such as Female Worker Population Ratio, Female Labour Force Participation Rate and Female Unemployment Rate etc.

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**Fourth**, The National Crime Records Bureau (NCRB) collected data on **female foeticide** in 2014. Thereafter, the government launched **Beti Bachao, Beti Padhao** campaign.

### Way Forward

Quantification is a step towards **resolution** and **rectification**. The government should continue to generate a plethora of **gender-disaggregated data**. This can be generated through either **implementation**-related statistics or through **surveys**. They would be used to inform or reform schemes.

The individuals and groups in academia, research and evaluation consultancies should conduct **audits** and **third-party assessments** of such data.

GS2 – GOVERNANCE – CIVIL SERVICES

### **CRITICAL ANALYSIS OF THE PERFORMANCE OF CIVIL SERVICES**

#### 4. **Actions that corrode the steel frame of India**

**Source:** The post is based on an article “Actions that corrode the steel frame of India” published in the “The Hindu” on 14<sup>th</sup> May 2022.

**Syllabus:** GS 2 Role of Civil Services in Bureaucracy.

**Relevance:** Civil Services Reform

**News:** Recently, a group of retired civil servants’ known as the **Constitutional Conduct Group (CCG)** sent an ‘open letter’ to the Prime Minister. They appealed for an end to the politics of hate and violence against minorities, particularly Muslims. However, the allegations were rejected by another group of civil servants known as the **Concerned Citizens (CC)**.

These developments have brought in the debate on the conduct of Civil Servants.

#### **How should the civil servants behave?**

**Sardar Vallabhbhai Patel** created **independent India’s civil services**. At that time, the administration worked with neutrality, and without favoritism.

The police and magistracy, judicial courts and other regulatory agencies (Not politicians) are **legally authorised** and **empowered** to take **preventive action** against potential troublemakers. They are the real **enforcers** of the laws relating to criminal, economic and other offences, and maintain **public order**.

Civil servants should work with **political neutrality**. They must have **independence** of thought and action. They should give **honest** and **objective** advice; and also speak truth to power.

In mature democracies, **public officials** are expected to discharge their **constitutional** and **legal responsibilities** with honesty, integrity and their own conscience.

India’s **permanent civil service** with **political neutrality** is patterned on the **English constitutional model**. Therefore, India needs to learn a lesson from the **British Case**.

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In Britain, a **career civil servant** investigated the case of flouting of lockdown regulations by the Prime Minister Boris Johnson and the Chancellor of Exchequer. The investigation found PM and FM guilty of violations of the lockdown regulations in force. The public and the political establishment accepted the integrity of the **investigation exercise**. Both the Prime Minister and the Chancellor of Exchequer were penalized for the violation of regulations.

### **What are the issues in the civil services in India?**

There has been a deterioration in standards of civil services since the **National Emergency** in 1975. There has been a decline in **adherence** to **political neutrality**. Now, there are **frequent allegations** that local officers take political sides in a conflict

The politicians serve their **personal** and **party interests**, and ambitious officials work on the terms and conditions of **political masters**. This has led to a **dilution of standards** and creating a favorable condition for both **political** and **bureaucratic corruption**.

The politicians reward a **compliant bureaucrat** by offering **prized** and **lucrative assignments** to the bureaucrats. In case the bureaucrats do not follow the lines or diktats, the civil servants are **punished** and placed in an **inconvenient position**.

The protection and safeguards in Article 311 of the Constitution have been found to be inadequate.

### **Way Forward**

B.R. Ambedkar advocated that **Constitutional morality** is not a natural sentiment, it has to be cultivated.

GS2 – POLITY – STATUTORY, REGULATORY AND QUASI JUDICIAL BODIES

### **ISSUES WITH REGULATORY BODIES**

#### 5. **Regulators don't need constitutional status**

**Source:** This post is based on the article “**Regulators don't need constitutional status**” published in **Business Standard** on **12th May 22**.

**Syllabus:** GS2 – Govt policies and interventions, Regulatory bodies

**Relevance:** Granting constitutional status to regulatory bodies in India

**Context:** Should Indian regulatory agencies be given constitutional status? It is argued that Indian regulatory agencies are often unable to withstand political pressure from the elected government of the day, which affects the way they perform their functions.

So, granting them constitutional sanctity would “restore symmetry” between regulatory agencies and the elected government.

Though tempting, it's still a weak argument.



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Instead, provisions to secure **transparency and public accountability** will go a longer way in securing true independence for a regulator than conferring constitutional status on it.

**What type of entities are given Constitutional status?**

Mature constitutions cement the place of two types of entities in society.

**First**, those bodies that **make laws and must be elected** by the people. These bodies are hardwired into the Constitution to secure the people's right to elect their representatives. **For instance:** Election of central and state legislature, their composition etc

**Second**, the Constitution fortifies institutions that are designed to **exercise checks and balances** on elected bodies and safeguard against majoritarian tendencies. **For instance**, it fortifies the position of the higher judiciary, the comptroller and auditor general's office and the election commission, etc.

**Why every apolitical body should not be granted Constitutional status?**

Since Constitutions are (and should be) harder to amend than parliamentary law, granting permanence to every apolitical institution by hard-wiring it into the Constitution would make for a **bulky and potentially an easily amendable Constitution**.

**Regulatory agencies do not comprise elected representatives of the people.** In fact, many argue that they comprise technocratic elites who make regulations that have the binding effect of the law, license and regulate intermediating firms.

**Credible commitment:** When the government sets up a regulator, it cedes its sovereign powers to govern that area of the economy. By doing so, it signals its commitment (credible commitment) to policy stability. In fact, in a democracy, it is the legislature's prerogative to decide whether to cede its sovereign power to regulate a sector, how much power to cede, and the constraints within which regulators must work. Since regulators exercise law-making and enforcement powers without having to ever face an election, making them accountable to the elected representatives is effectively the only way to hold them accountable to the people at all. This illustrates that they do not perform a function that should be hardwired in a Constitution.

**No connection b/w achievement of its purpose and its legal status:** A key argument for conferring constitutional status, specifically on the Reserve Bank of India, is to allow it to conduct monetary policy independently. The evidence to substantiate this claim is weak. **For instance:** Early findings of researchers at the Bank of England show no connection between a central bank's legal form and the achievement of its public purpose (Bholat and Gutierrez, 2019).

**What is the alternative to secure independence of regulatory bodies?**

In the absence of constitutional hardwiring, how "independent" are regulators set up under laws passed by parliament? The answer is that it depends on the **terms of the law setting up the regulator**. Following steps must be ensured:

– **Fair contract terms** for these agencies under their governing law

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- Aligning the incentives of the persons heading the regulatory agencies with **public interest** and
- Requiring them to **consistently explain their actions to the public**. Transparency of conduct is one of the most effective ways of incentivising the agency to act in the public interest. **For instance:** Provisions built into the Reserve Bank of India Act in 2015, require the regular publication of the minutes of the monetary policy committee's meetings. This is a powerful provision that simultaneously secures independence and accountability, as it would be hard to explain decisions and votes that do not align with public interest.

GS2 – SOCIAL ISSUES – HEALTH RELATED ISSUES

### ISSUES RELATED TO PUBLIC HEALTH

#### 6. The India hypertension control initiative

**Source:** This post is based on the article “**The India hypertension control initiative**” published in **The Hindu** on **13th May 22**.

**Syllabus:** GS2 – Issues related to Health

**Relevance:** Prevalence of Hypertension in India

**News:** A project called the India Hypertension Control Initiative (IHCI) finds that nearly 23% out of 2.1 million Indians have uncontrolled blood pressure.

**What is Hypertension?**

Hypertension was defined as having systolic blood pressure level greater than or equal to **140 mmHg** or diastolic blood pressure level greater than or equal to **90 mmHg** or/and taking anti-hypertensive medication to lower his/her blood pressure.

**What is the IHCI?**

Recognising that hypertension is a serious, and growing, health issue in India, the Health Ministry, the Indian Council of Medical Research, State Governments, and WHO-India began a five-year initiative to monitor and treat hypertension.

India has committed to a “**25 by 25**” goal, which aims to reduce **premature mortality** due to non-communicable diseases (NCDs) by 25% by 2025.

- One of the nine voluntary targets includes **reducing the prevalence of high blood pressure by 25% by 2025**.

The programme was launched in November 2017.

**What has the IHCI found so far?**

Its most important discovery so far is that nearly **one-fourth of (23%) patients under the programme had uncontrolled blood pressure**, and 27% did not return for a follow-up in the first quarter of 2021.

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There were an estimated **20 crore adults with hypertension** in the country.

To achieve India's target of a 25% relative reduction in the prevalence of raised blood pressure, approximately 4.5 crore additional people with hypertension need to get their blood pressure under control by 2025.

### How prevalent is the problem of hypertension?

**Southern States have a higher prevalence of hypertension** than the national average, according to the latest edition of the National Family Health Survey.

While 21.3% of women and 24% of men aged above 15 have hypertension in the country, the **prevalence is the highest in Kerala** where 32.8% men and 30.9% women have been diagnosed with hypertension.

Kerala is followed by Telangana where the prevalence is 31.4% in men and 26.1% in women.

The **prevalence of hypertension is higher among Sikhs** (37% for men and 31% for women), Jains (30% for men and 25% for women), and Christians (29% for men and 26% for women) than the rest.

## COVID PANDEMIC – PANDEMIC MORTALITY DATA

### 7. Don't play politics with Covid death numbers, let's learn from them

**Source:** The post is based on an article "Don't play politics with Covid death numbers, let's learn from them" published in the Indian Express on 14<sup>th</sup> May 2022.

**Syllabus:** GS 2 Governance

**Relevance:** Covid Excess Death, Public Data, Evidence-Based Planning, etc.

**News:** Recently, the World Health Organisation (WHO) has attempted to measure the cost of the Covid-19 pandemic across the world. This has been done through the estimation of **excess deaths**.

### What is the excess death measure?

Registered deaths during the pandemic are compared to an average of registered deaths before the pandemic (baseline estimates) to produce estimates of excess deaths.

**India's institutional arrangement for birth and death registration that have been used for estimating excess death**

**The Civil Registration System (CRS)** is the repository of all registered births and deaths in the country at the national, state, and district levels.

The provisions of the **Registration of Births and Deaths Act of 1969** require every death to be registered within 21 days of the event.

Another source of data used to estimate excess deaths in the **household survey**, such as the **CVoter tracker survey**.

### What were the issues in the estimation of excess death in India?



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### (A) Infrastructural issues

Unlike developed countries, the developing countries including India lack adequate **birth and death registration infrastructure**. This led to the generation of unreliable data which lead to **imprecise and speculative estimation of excess deaths**.

Even before the pandemic, India did not have an **infrastructure** for collecting **real-time** robust death data.

**(B) CRS:** The careful research of the death data from CRS has repeatedly revealed serious shortcomings, as given below:

The **baseline estimates of death** from the CRS are not a reliable source of death. There has been underreporting of the number of dead in the **pre-pandemic period** (example for 2019). For instance, the overall death registration in the CRS was 92% of the overall deaths estimated by the Sample Registration System (SRS).

Furthermore, when data is **disaggregated on other parameters** like gender, age, etc. the report becomes more unreliable.

The CRS death data for the pre-pandemic period were used as the baseline without adjusting for age, gender, and location. This would lead to exaggerated numbers of excess deaths.

In fact, the registration level in the CRS has **not** been **uniform** over the earlier years. It ranged from 75% in 2015 to 85% in 2018.

### (B) Issues in Household Survey

The primary purpose of the survey is to track perceptions of governance, media, and other social indicators, not to collect death data from households. The CVoter tracker survey covers only **0.14 million adults**. And the **self-reported data** on death numbers gathered from telephonic surveys has **no on-field verification**.

### Other issues

A reliable source of death data in India is the **Sample Registration System (SRS)**. Unfortunately, the SRS survey was not carried out during the pandemic.

In addition, media coverage and overall fear and interest levels during waves of the pandemic led to varying responses from people. The lack of accurate data on deaths has led to intense speculation and politicization.

### The Way Forward

The **Sample Registration System (SRS)** should be conducted soon. No matter how sophisticated the statistical methodology, there is no substitute for high quality data.

The pandemic has provided a **window of opportunity** to invest heavily in **building a robust and reliable infrastructure** that collects timely data on vital statistics, such as births, deaths and migrations.

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This project should be given **national importance** and an urgent priority as such an infrastructure would become the cornerstone of public health in India. The central and state governments must **cooperate**.

### 8. WHO's Methodology Has Been Robust?

**Source:** The post is based on an article "**WHO's Methodology Has Been Robust**" published in the on **13th May 2022**.

**Syllabus:** GS2 – Issues related to Health

**Relevance:** Civil Registration System, Sample Registration System, Mortality Data

**News:** Recently, the World Health Organisation estimated the excess mortality caused by the pandemic

#### **What is the scope of WHO's estimate?**

WHO is measuring the excess mortality to understand the net effect of a pandemic.

Here, excess mortality means the difference between what would have been expected to be the mortality if there had been no pandemic as compared to the actual mortality occurring which include covid deaths, deaths due to the disruption of other essential health services and worsening of social determinants like poverty.

#### **India's institutional measures for recording death**

**The Civil Registration System (CRS):** It is organised by the **Registrar General of India (RGI)**, and is uniformly operated across India. The states are required to implement it, and they don't have any flexibility.

**Issues in CRS:** This system faces a number of issues. The death registration in CRS is weak. In fact, the certification of cause of death is as low as 21%.

#### **India's Sample Registration System (SRS):**

It is implemented by RGI to overcome weaknesses in CRS and get a better sense of mortality in India. Therefore, people are sent to survey villages, to verify death registration, search for missing deaths and explore causation. By convention, it is considered to be the **gold standard** for mortality.

**Issues:** India's Sample Registration System (SRS) is the main source of mortality data. However, SRS usually comes out after a **two-year lag**. Therefore, unfortunately, SRS data is not available for 2020 and 2021.

#### **What are the issues in the estimation of excess mortality?**

As per **SRS** and **CRS report** in 2019, Only 13 states and 4 UTs recorded 100% reporting which did not include large and populous states. Therefore, we cannot rely upon the death reporting done during covid when there was so much disruption.

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Another important issue is that the Covid deaths were collected through a **parallel system** (collected directly from district administrators reporting it from laboratories and from hospitals), not through the civil registration and vital statistics system. Therefore, they had no **cross-reference** with the rest of the system. Like CRS and SRS.

### **Why WHO approach and its estimation about the bulk of the excess deaths in 2021 is correct?**

There are numerous **direct** and **indirect** effects of using the **excess mortality** indicator. For example, it helps to take into account mortality which occurs due to indirect causes. Therefore, **the WHO's methodology** has been robust. If anything, it's an underestimate.

The WHO has used death data from those states which have put the death data in the public domain. Thereafter, WHO has extrapolated the data for the whole country.

WHO's numbers are in sync with at least **five other studies**. They have all come to similar conclusions.

### **Way Forward**

Government should release its **own estimate** of excess mortality data as soon as possible. The data should not remain confined to the government itself.

The best way to validate it is to **triangulate** it across **different methods**. That holds out the validity of WHO's study

## 9. **The bitter dispute over India's pandemic mortality**

**Source:** This post is based on the article "**The bitter dispute over India's pandemic mortality**" published in **The Hindu** on **12th May 22**.

**Syllabus:** GS2 – Issues related to Health

**Relevance:** Data about COVID pandemic mortality in India

**News:** How many people died in India as a result of the COVID-19 pandemic? This question has become the subject of a heated argument after the World Health Organization (WHO) estimated India's pandemic excess deaths at around 4.7 million.

The Government of India issued a strongly worded response, while media houses and editors also jumped in.

**What are some factors that need to be considered?**

Precisely how many excess deaths occurred in India during the novel coronavirus pandemic will never be known.

All mortality studies, including the latest from WHO, involve choices about what data to include, how to fill gaps, and how to deal with uncertainty; there is always room for debate and disagreement about these choices.

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Also, all the **estimates come with uncertainty and depend on choices**. For example, the WHO estimate drops from 4.7 million to 4.4 million if we consider the pandemic period to span April 2020-July 2021 rather than January 2020-December 2021.

Uncertainty does not mean total ignorance: even the most optimistic reading of the data puts excess deaths at six or seven times official COVID-19 deaths.

[How has the Govt responded to such studies?](#)

Several studies, most putting India's pandemic excess deaths at between three and five million, have been met by strident Government "rebuttals".

These rebuttals have highlighted the uncertainties (which is valid), and then jumped — without justification — to claiming that there are no excess deaths beyond recorded COVID-19 deaths.

[What are the implications of the Govt's stance and the issues with it?](#)

In its response to the latest WHO study, the Govt has said – *“India strongly objects to the use of mathematical models for projecting excess mortality estimates in view of the availability of authentic data”*.

The “authentic data” in question is mortality data from the **Civil Registration System (CRS)**, and there are two implications:

- CRS data has been ignored by the researchers;
- CRS data does not support estimates of high pandemic mortality.

Both are wrong.

### **Issues**

– Estimates of pandemic mortality, including those of WHO, are largely data-driven, and the main data-source is the CRS. This data strongly supports estimates of high pandemic mortality.

– The “modelling” that the Government objects to is largely simple data analysis and techniques for filling gaps in the data, entirely unavoidable if we are to use CRS data to estimate excess mortality.

[Can a huge mortality surge be explained via increased registration coverage?](#)

It is possible that in some States, registration coverage improved during the pandemic. But, overall, registration probably dropped during 2020.

Data from the Government's latest National Family Health Survey suggests that deaths that occurred in 2020 were less likely to be registered than deaths in 2019. Birth registration data from the CRS points in the same direction: after increasing by 5% during 2017-18 and 7% during 2018-19, birth registrations fell by 2.5% in 2020.

### **Way forward**

The current state of affairs highlights both the value of India's CRS data, and the need to strengthen the CRS.

**HEALTH SURVEYS, REPORTS – FINDINGS AND ISSUES**

10. [Measuring the change: On socio-economic surveys](#)

**Source:** This post is based on the article “**Measuring the change: On socio-economic surveys**” published in **The Hindu** on **11th May 22**.

**Syllabus:** GS2 – Issues related to health

**Relevance:** Health surveys in India

**Context:** Findings of the [5th edition of the National Family Health Survey](#) were made public last year, providing some key insights into changes underway in Indian society.

India should invest more to enhance the reliability of various socio-economic surveys.

[What are some key findings of the NFHS 5?](#)

Findings of the survey throw light on traditional parameters, for instance immunisation among children, births in registered hospital facilities, and nutritional levels. While there is a general improvement in these parameters, there were mixed signals in nutrition.

- **Gains in childhood nutrition** were minimal, as were improvements in obesity levels.
- The **prevalence of anaemia** has actually worsened since the last survey in 2015-16.
- **Decline in TFR:** When highlights were made public last year, the focus was on India’s declining total fertility rate that had, for the first time in the country’s history, dipped to below the replacement level, or a TFR (Total Fertility Rate) of 2.1.

- If the trend were to persist, **India’s population was on the decline** in line with what has been observed in developed countries, and theoretically means improved living standards per capita and greater gender equity.
- Because this TFR had been achieved across most States, it was also evidence that **population decline could be achieved without coercive state policies** and family planning has struck deep roots. The more detailed findings, made public last week, suggest that this decline is **agnostic to religion**.

The fertility rate among Muslims dipped to 2.3 in 2019-2021 from 2.6 in 2015-16, the sharpest among all religious communities when compared to the 4.4 in NFHS 1 in 1992-93.

– **Gender equity:** Another set of subjective questions that the NFHS attempts to answer using hard data is gender equity.

- Less than a third of married women are working and nearly 44% do not have the freedom to go to the market alone. However, a little over 80% have said that they can refuse demands for sex from their husband. This has **implications for legal questions surrounding marital rape**.
- Only 72% of Indian men think it is not right to coerce, threaten or use force on a woman if denied sex, which again points to the vast territory that needs to be covered in **educating men about equality, choice and freedom in marriage**. This question made



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it for the first time in the family health survey, as did another question, about the number of registered births and deaths, in the family survey.

### Way forward

Multiple surveys such as the NFHS, Sample Registration Surveys, the Census, labour, economic surveys and ways of interrogation are necessary for insights about a country as vast and complex as India; the Centre should invest more substantially in improving their reliability.

## **JUNK FOOD, HEALTH RATING AND RELATED ISSUES**

### 11. **This food regulator needs to step up to the plate**

**Source:** This post is based on the article “**This food regulator needs to step up to the plate**” published in **The Hindu** on **11th May 22**.

**Syllabus:** GS2 – Issues related to health, Govt policies and interventions

**Relevance:** Draft regulation for labels on front of food packets

**Context:** The Food Safety and Standards Authority of India (FSSAI) is expected to issue a draft regulation for labels on front of food packets that will inform consumers if a product is high in salt, sugar and fat. It is expected to propose a system under which stars will be assigned to a product.

The draft regulation is based on a study commissioned by the FSSAI and conducted by IIM-Ahmedabad.

As per this article, the study has many methodological errors. Hence, the FSSAI cannot go ahead with a draft regulation based on a **highly contested study design** and whose **findings are not yet peer reviewed**.

Its decision to stick to a Health Star Rating based on an algorithm known to the food industry only, as a front of pack labelling, is without sound logic or evidence.

**What are the associated concerns?**

We need to **reduce the production, the marketing and the availability** of such unhealthy foods.

– Even if available, we need to change consumer behaviour in purchasing such processed food by due warning of their contents using the labels on the packets.

The World Health Organization (WHO) has issued a threshold for sugar, salt, fat, and calories per 100 grams of processed food packaged or 100 ml of liquid beverages bottled. Unless we generate competing technical data for the Indian population, **we have to abide by WHO norms**.

– We **cannot relax thresholds to suit the industry**, but industry must alter its composition to healthy limits. The FSSAI must ensure that.

Any order or guideline issued in public interest must be **mandatory from day one**. We cannot have the flexibility of voluntary adoption and staggered implementation.

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No one denies that the Indian Institute of Management Ahmedabad is an institute of repute, but so are many others which were not invited or given a chance to bid for such a large expensive study.

**On Front of the Package labelling:** The participants of the study must have the capacity to objectively evaluate the various formats of FOPL based on the information content. They must have the ability to compare and identify least harmful, or identify higher content than recommended. Opinion of the consumer, who is not knowledgeable or illiterate, is pointless.

– The authors admit in this study that 13.8% of respondents have not had schooling at all or are illiterate, while 28%-35% of respondents are those who never read food labels. Therefore, they should have been excluded from making a relative comparison between labels in this study.

**Missing data:** The exclusion of young adolescent children aged 10-18 years — who are big consumers of packaged biscuits chips and bottled soft drinks — from the study is a big methodological error. It is a case of significant missing data.

GS2 – POLITY – FUNDAMENTAL RIGHTS

### **SEDITION LAW IN INDIA**

#### 12. **Why the sedition law must go**

**Source:** The post is based on an article “**Why sedition law must go?**” published in the **Indian Express** on **13th May 2022**.

**Syllabus:** GS2 – Important Provisions of the Constitution of India

**Relevance:** Sedition Law Versus Fundamental Right of the freedom of speech and expressions

**News:** Most recently, the Supreme Court directed the Union government and the states to refrain from using the law of sedition. In addition, the Supreme Court has also kept all previous cases under Section 124A of the IPC in abeyance till the matter is reconsidered in a comprehensive way.

#### **Argument against the Sedition law**

The **colonial government** used the law of sedition liberally to **curb free speech**. However, the section on sedition was retained after independence and has been used on the same pattern so far.

In the Constituent Assembly, **B R Ambedkar** passionately argued that **liberty, equality** and **fraternity** should become the principles of our democratic lives.

The Section 124A of the IPC, has acted as a constraint on the exercise of the **freedom of speech and expression** which is enshrined as a **guaranteed fundamental right** in **Article 19(1) (a) of the Constitution**. In fact, dissent, criticism and differences of opinion are vital for the

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functioning of any democracy. But the governments have used sedition to suppress and quell political dissent.

The Section 124A of the IPC has often been invoked with the aim to create an atmosphere of fear and servility against the dissenters. For example, it is used against **politicians, political activists, human rights activists**, civil rights workers and advocacy groups who dared question the government's stand.

The **NRCB data** exposes the untenability of Section 124A or UAPA. Most cases are disposed of at the police level by **withdrawing** the case or submitting a chargesheet in the court. In courts, there is an **abysmally low rate of conviction** and the cases are disposed of without conviction. It means the sedition charges are slapped in **flimsy nature** or are used to **intimidate** or harass those who question the government's fiat.

The law endangers our **fundamental constitutional values**. For example, the pendency rate in court remained 95%. This indicates **harassment** and **violation** of the **right to life** and **liberty** for a great number of people who are suffering because of the diabolical prison conditions in India.

The Law Commission of India in its "**consultation paper on sedition**" found many issues that need addressing around the working of Section 124A.

### Way Forward

A Private Member's Bill was introduced in the Rajya Sabha in 2011 to abolish Section 124A of the Indian Penal Code.

In order to improve the **democratic foundations** of our country, there must not be any space for sedition. The progressive citizens of India have been constantly asking for the **repealing** of the sedition law.

### 13. Centre's plan to relook at sedition law is welcome but Supreme Court must take the review process to its logical conclusion

**Source:** The post is based on an article "**Centre's plan to relook at sedition law is welcome but Supreme Court must take the review process to its logical conclusion**" published in the **Indian Express** on **10th May 2022**.

**Syllabus:** GS2 – Important Provisions of the Constitution of India

**Relevance:** Freedom of Speech and Express; Sedition Law

**News:** The government has expressed its views to shed colonial baggage after 75 years since independence, and has told the Supreme Court that it would re-examine the provision.

### About Sedition law

The provision (Section 124A) of the Indian Penal Code was incorporated in its current form in the penal code (IPC) in 1898, nearly four decades after the IPC was introduced.



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It defines the offence of “sedition” as exciting “disaffection” against the government established by law, or bringing it into “hatred or contempt” and penalises such an action.

The punishment prescribed ranges from **life imprisonment** with an **added fine** or an **additional jail term of three years**.

### **Constitutionality of Section 124A of the IPC**

First, **the Punjab High court** and **the Allahabad high court** struck down the sedition law as an exception to free speech in the 1950s,

Second, the Supreme Court in **Kedar Nath Singh vs State of Bihar (1962)** upheld its constitutionality. The SC said not all speech with “disaffection”, “hatred,” or “contempt” against the state are seditious. The speech that is likely to incite “**public disorder**” would qualify as sedition.

### **Argument against**

The sedition law became obsolete in **the UK** in the 1960s and was finally repealed in 2009. In fact, **Singapore**, which like India inherited **colonial English law**, has also repealed the sedition law.

In fact, **the Law Commission** and **the Supreme Court** in their **successive reports** have reported the **rampant misuse** of the law. For example, the provision has been invoked against comedians, journalists and ordinary citizens who expressed their **dissatisfaction** with the government.

### **Way Forward**

The **Supreme Court** has decided to **revisit** the **constitutional validity** of the sedition law which is a colonial provision.

The **Home Ministry** asked the SC to defer the hearing for now till a “**competent forum**”, presumably Parliament, **deliberates** on the issue of sedition law.

The **authority** to identify and distinguish **genuine expression of speech** from **seditious speech** should not be left to the police

GS2 – INTERNATIONAL RELATIONS – INDIAN DIASPORA

### **INDIAN DIASPORA AND RELATED ISSUES**

#### 14. **The importance of emigrants**

**Source:** The post is based on an article “**The importance of emigrants**” published in the “**The Hindu**” on **10th May 2022**.

**Syllabus:** GS2 – International Relations

**Relevance:** Indian diaspora

**News:** Recently, the Indian government proposed a **new Emigration Bill in 2021**. The bill will provide a **comprehensive data** set for the **efficient management** of Indian migrants. It

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proposes to integrate **emigration management** and streamline the **welfare** of Indian emigrant workers.

### **Provisions of the Emigration Bill**

The bill proposes to modify the system of **Emigration Check Required (ECR) category** of workers applying for migration to 18 notified countries.

The Bill makes it mandatory for **all categories of workers** to register before departure to any country in the world to ensure better protection for them, support and safeguard in case of vulnerabilities.

The bill proposes to establish the **Emigration Management Authority**, an **overarching authority** to provide policy guidance.

It aims to improve the **protection measures** through registration of all emigrants, skill upgradation and training, and pre-departure orientation. For example, skilling of migrant workers, foreign language training etc. can be of great help for workers.

Besides workers, the Bill will also cover students (about 0.5 million students) who migrate for education.

### **Status of Indian Emigrants**

Every year, about 2.5 million workers from India move to different parts of the world on employment visas.

According to the **Ministry of External Affairs**, there are over 13.4 million NRI worldwide. Around 64% of NRI live in **the Gulf Cooperation Council (GCC)** countries, the highest being in the UAE, followed by Saudi Arabia and Kuwait. Almost 90% of the Indian migrants living in GCC countries are low- and semi-skilled workers.

Other significant countries of destination for overseas Indians are the U.S., the U.K., Australia, and Canada.

### **Importance of the Indian Diaspora for the host countries**

The **skilled** and **semi-skilled Indian migrants** are involved in nation-building of the destination countries. For example, various Indian-origin executives have become CEOs of top U.S. companies. This highlights the contribution of Indian talent to the U.S. economy.

In addition, Indian **semi-skilled migrant labourers** have also contributed a lot in the global economy.

### **Importance of the Indian Diaspora for India**

**High remittances:** As per a **World Bank Group report (2021)**, India receives the highest annual remittances in the world (\$87 billion), followed by China (\$53 billion) among others. Remittances in India have been substantially higher than even **Foreign Direct Investment (FDI)**.

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**Socioeconomic development:** According to a report by the **National Statistical Office**, urban and rural households **receiving remittances** have 23% better financial capacity than **non-remittance-receiving households**.

NRIs can provide **hedging** against **unsystematic risks**. For example, after the 2015 earthquake in Nepal, overseas Nepalese increased their remittances. This provided vital support to the domestic economy after a shock.

### Way Forward

The government should look into increasing remittances to **10% of GDP** and adopting **Philippines' model** of promoting labour mobility.

The **cost of recruitment** of such workers and the **cost of sending remittances** back to India should come down.

The reduction of informal/undocumented migration, formalising all remittances, safety and well-being of migrant labour should be the top priority of the Indian government. It can be done by regulating the recruitment agencies through information technology.

An integrated grievance redressal portal, **'Madad'** was launched by the Union government in 2015.

GS2 – INTERNATIONAL RELATIONS – INDIA AND ITS NEIGHBOURHOOD

### INDIA-GERMANY RELATIONS

#### 15. [A democratic and strategic dissonance in India-German ties](#)

**Source:** The post is based on an article **"A democratic and strategic dissonance in India-German ties"** published in the **"The Hindu"** on **10th May 2022**.

**Syllabus:** GS2 – International Relations

**Relevance:** Indo-Germany bilateral relations

**News:** Recently, Prime Minister Narendra Modi visited three European nations Europe at a critical time, shaped by the ongoing **Ukraine** war.

India also attended the **sixth biennial India-Germany Inter-Governmental Consultations (IGC)**. This was of critical importance for **'long-standing bilateral commercial ties** and the **'Strategic Partnership** between India and Germany.

#### **Convergence of interests**

The **assertive China** is being visible on the world stage and in particular, at the border with India, New Delhi. This **geopolitical factor** of the rise of China particularly in the Indo-Pacific seems the most **compelling necessity** to come together.

On the lines of India-Russia defence ties, European countries have significant reliance on Russian gas and crude.

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In fact, Germany is also reaching out to other **Asian powers** and building on democratic alliances as an outcome of its **Indo-Pacific guidelines**. It means Germany wants to reap **democratic dividends** that may lead to a convergence of views and possibly policies on Russia between the two countries.

There is a convergence of issues of economics, technology and climate change between India and Germany. These are low hanging fruits.

### Issues in India-Germany relationship

**India's position** on the Russian invasion of Ukraine, abstention on critical votes on the war and continued economic engagement like cheap crude import has attracted criticism from the West. The convergence of interests to protect democratic values is not a **strong binding chord** between India and Germany. For example, India has adopted **pragmatism** on dealing with **Myanmar's junta**.

One of the factors that prevented the realization of the full potential in the bilateral relations between both the countries is the **lack of understanding** of each **other's strategic cultures** and **domestic politics**.

### What was the reason the Indian PM visited Europe in general and Germany in particular?

Despite India's position on Russian invasion of Ukraine, India wants to continue its **bilateral engagement** with European countries such as **Germany, France** and **Denmark**. The purpose is to portray India as a **swing power** that can move deftly on the **geopolitical** and **diplomatic chessboard**.

India insists that its position on the war is **non-partisan** and should be appreciated by its **allies** and **friends**.

### Way Forward

India has to bring in **more nuance** to its approach with Europe. India should work to prevent any isolation by the West. India needs to manage a delicate **balancing act**. India should be able to assert its right to pursue its **national interests** and **strategic autonomy** in foreign policy.

Despite India's stand on Russia, Europe cannot overlook India's role as a major power and largest democracy in the world. For example, European countries expect India to amend its position on Russia and join hands with the European countries and the U.S.

Germany's invitation to India in the **G-7 meeting points** to the **emerging multipolarity** in the international system. The major powers such as Germany and India can play a greater role in bringing **peace** and **stability** in other theatres, particularly in **Afghanistan** and **the Indo-Pacific**.

In times of **shifting geopolitical alliances** and **realignments**, India and Germany can emerge as important poles in shaping the **new world order**.

### **ISSUES WITH THE JUDICIAL SYSTEM**

#### 16. **India's judiciary and the slackening cog of trust**

**Source:** The post is based on an article “**India's judiciary and the slackening cog of trust**” published in the “**The Hindu**” on **09th May 2022**.

**Syllabus:** GS2 Functioning of Indian Judiciary

**Relevance:** Judicial Transparency and Accountability; and Judicial reforms

**News:** There has been the **erosion of trust** in the **lower judiciary** comprising **high courts**, and **district** and **sessions courts**. This makes it imperative to look into the **functioning** of lower judiciary in India.

#### **About Justice**

(1) **Substantive justice:** It is associated with whether the statutes, case law and unwritten legal principles are morally justified (e.g., freedom to pursue any religion). For example, **the Citizenship (Amendment) Act 2019** is alleged to be violative of the constitution, thus is a violation of substantive justice.

(2) **procedural justice:** It is associated with **fair and impartial decision procedures**. The case of Lal Bihari, who was officially declared dead but struggled for 9 years to prove that he was alive, involved violation of substantive and procedural justice.

#### **What are the issues in the lower level of Indian judiciary?**

##### **(A) judicial corruption**

(1) **political interference** in the judicial process by the legislative or executive branch, as refusal to comply can lead to **political retaliation**, and

(2) **bribery:** it can occur throughout the chain of the judicial process including delaying or accelerating verdicts, accepting or denying appeals, or simply to decide a case in a certain way. For example, lawyers can charge additional “fees” to expedite or delay cases.

**(B) Severe backlogging:** According to **the National Judicial Data Grid**, there are 2.4Cr pending cases in India's district courts. Out of the total, 23lakh cases have been pending for over 10 years, and 39lakh cases have been pending for between five and 10 years.

**(C) Understaffing:** In the subordinate courts, 4,432 posts (or 22% against sanctioned strength) of judicial officers were vacant (as of December 31, 2015). In the case of the High Courts, 458 (or 42% of the sanctioned strength) were vacant as of June 2016.

#### **Some reports about judicial corruption**

According to **Transparency International** (TI 2011), around 45% of people between 2009-2010 paid a bribe to the judiciary for quick disposal of case related to divorce, bail, and other procedures.



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According to the **Asian Human Rights Commission (AHRC)**, a person spent at least ₹ 1,000 as bribes in bringing a petition to the court.

According to the “**Freedom in the World 2016 report**”, “India’s lower judiciary has been rife with corruption”.

According to **the GAN Business Anti-Corruption Portal report 2017**, “there is a high risk of corruption at the lower court levels. Bribes and irregular payments are often exchanged in return for favourable court decisions”. For example, Tis Hazari District Court Senior Civil Judge was arrested for allegedly accepting a bribe to rule in favour of a complainant in a case.

### **What are the impacts of judicial corruption?**

Such kind of corruption induced incidents in the lower level of judiciary lead to **erosion of public trust**. The erosion of trust in the judiciary could severely imperil governance.

The lack of justice delivery is bound to promote proclivity to deliver instant justice, extra-judicial killings, exercise of extra-constitutional authority, widespread corruption, and **unprovoked and brutal violence** against some sections of society (e.g., lynching of innocent cattle traders).

**Judicial corruption** leads to failure of **procedural justice** and to some extent **substantive justice**.

### **Way Forward**

The Greek philosopher, Aristotle said, “It is in justice that the ordering of society is centred.”

The trust in the judiciary is positively and significantly related to the share of undertrials for three to five years under total prisoners. Therefore, the share of undertrials must be increased in India.

GS2 – GOVERNANCE – GOVT POLICIES AND INTERVENTIONS

### **UNIFORM CIVIL CODE (UCC)**

#### 17. How to make a Uniform Civil Code

**Source:** The post is based on an article “**How to make a uniform civil code**” published in the **Indian Express** on **14<sup>th</sup> May 2022**.

**Syllabus:** GS 2 Important Provisions of the Constitution of India

**Relevance:** Uniform Civil Code (Article 44)

**News:** Recently, a number of state governments have proposed to frame a **Uniform Civil Code** for their states.

#### **Step taken towards UCC in India So Far**

Parliament enacted a **civil marriage law in 1954**, the **Special Marriage Act** and the **Indian Succession Act**. These enactments were made available to all citizens of India as a **secular**

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**alternative.** Thus, these acts together constitute a UCC of an optional nature for all Indians alike.

In addition, the Parliament also enacted a new law called **the Hindu Marriage Act** in 1955 to regulate **religious marriages** among the Hindus, Buddhists, Jains, and Sikhs. Further, A Hindu Succession Act came into force next year for the properties of those covered by the **Hindu Marriage Act 1955**.

The people of **Goa, Daman, and Diu** are governed by an archaic **Portuguese Civil Code of 1867**. A sizable section of citizens called **Renoncants** (Indians whose ancestors had during the French rule abandoned personal law) in **Puducherry** are governed by the **218-year-old French Civil Code of 1804**.

### **What are the issues in the central personal laws?**

The Special Marriage Act is **patently discriminatory** in certain matters. It mentions the **prohibited degree of marriage** between **close relatives** (like the Hindu Marriage Act). Further, the Act does not prohibit marriages between **distant cousins** (i.e., **sapinda relationship**). Thus, an act, allows a Hindu to marry a second cousin despite **religious prohibition**, but a Muslim is debarred to marry a first cousin despite **religious permission**.

In fact, the Hindu Marriage Act relaxes the **rule of prohibited degrees** on the basis of custom but not under the Special Marriage Act.

During the **Emergency days**, the **Special Marriage (Amendment) Act** allowed both parties' (if Hindu) properties to be governed by the Hindu Succession Act instead of the Indian Succession Act. This was a **retrograde step**.

### **What are the issues in proposals for the state-level uniform civil code laws?**

A state-level UCC seems to be prima facie incompatible with Article 44 of the Constitution. The article advocates to secure a uniform civil code for the citizens **throughout the territory of India**. The proposal can overlook all-India characters.

Under the Constitution, **family** and **succession laws** are in the **concurrent jurisdiction** of the Centre and states. Therefore, law applicable in the entire country can be enacted by Parliament alone.

### **Argument in favour of the state proposals**

The **anachronistic foreign laws** are still applicable on Indian citizens in certain parts of the country. Therefore, such a code can be enacted at the state-level.

### **The Way Forward**

There should be a **single law of family rights** and **succession** for the entire country. The law should be in compliance with the constitutional guarantees for equality before the law and equal protection of laws

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The parliament should amend the **discriminatory provisions** of the Special Marriage Act relating to prohibited degrees in marriage. In addition, the 1976 amendment restricting the applicability of the Indian Succession Act must be set aside.

To start, the parliament can **repeal** and **replace** the **archaic foreign civil code** prevalent in Goa, Daman Diu, and Puducherry with the central marriage and succession laws. This will be a logical move in beginning.

### **POLICE REFORMS AND RELATED ISSUES**

#### 18. **The good cop**

**Source:** The post is based on an article “**The good cop**” published in the **Indian Express** on **12th May 2022**.

**Syllabus:** GS3 Indian Security

**Relevance:** Police Reforms

**Context:** There have been **the National Police Commission**, the **Ribeiro** and **Padmanabhaiah committees**, and other commissions which directly alluded to police reforms. In addition, the **Malimath Committee** and the **Second Administrative Reforms Commission** indirectly expressed requirements for police reforms. The Supreme Court acknowledged the requirement of police reforms in **Prakash Singh judgment of 2006**.

#### **Structural control over police machinery**

##### **Constitutional Provisions**

The State List has public order and police.

The Union List mentions the armed forces of the Union, CBI and some reasons for preventive detention.

The Concurrent List mentions to deal with criminal law and procedure and some reasons for preventive detention.

##### **Centre-State Aspect**

The Union Ministry of Home Affairs has **Police-I Division** and **Police-II Division**. The latter one is responsible for controlling the **central armed police forces**.

##### **What are the issues in Indian policing machinery?**

It involves corruptions like a police officer may brush up a case on payment of his terms like presents from parties.

The police officers **threaten** and **bully suspects** and innocent persons to give information they are supposed to possess.

The police officer instead of working like a **detective** procure confessions by improper inducement, by threats and by moral pressure.

##### **Measures Taken So Far**



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In **Prakash Singh Guidelines 2006**, the court's gave directives in seven domains to induce **transparency** and **reduce discretion** which are desirable for improving **police efficiency**. There are: (1) State security commissions; (2) the appointment and tenure of DGPs; (3) the tenure of other police officers; (4) the separation of investigation from law and order; (5) police establishment boards for transfers, postings and promotions; (6) police complaints authorities; and (7) the National Security Commission. Subsequently, a **draft Model Police Act** was framed in 2006.

So far almost all states have complied with the seven directives of the Supreme Court issued in Prakash Singh Case.

Recently, the Central Government has reviewed **the Model Police Act, 2006**. Accordingly, a **draft Model Police Bill, 2015** has been prepared and placed on the website of BPR&D.

**What are the issues which still persist in the police department even after implementation of the directives?**

Compliance has remained in the letter of the law, not in the spirit. For instance, the composition, powers and other aspects of the State Security Commission do not comply with the directives in spirit. Same is the case with other six directives as well.

Meanwhile, the structure varies across states. This concern was highlighted by **the Police Commissions of 1860** and **1902-03**. This has not improved till 2022. This results into **inefficiency**

States often readily request **the central armed police forces** whenever there is a problem.

In tracking compliance in letter and spirit across states, it was found that there was no state which was fully compliant with the seven directives.

### **Way Forward**

As 'police' is a state subject, therefore, the primary responsibility to formulate a **new Police Act** or amend their **existing Act** on the lines of **the draft Model Police Bill** prepared by the Central Government lies in the hands of the state government.

In 2016, the **Niti Aayog** published a paper on building **smart police**. It suggested moving police to the **Concurrent List**.

However, the State List entry (related to police) should not be moved to the Concurrent List alone. It will be perceived as hampering rights of States and interpreted as greater centralisation. Therefore, the central government should go for a **complete overhaul** of the Seventh Schedule. Now the pandemic is out of the way, it is necessary to bring police reforms back on the agenda. The country deserves to move on from 1861.

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GS2 – GOVERNANCE – ISSUES RELATED TO DEV AND MGMT OF EDU

### **HIGHER EDU AND RELATED ISSUES**

#### 19. **The multiple crises in Indian universities**

**Source:** This post is based on the article “**The multiple crises in Indian universities**” published in **The Hindu** on **9th May 22**.

**Syllabus:** GS2 – Issues related to development and management of Education

**Relevance:** Higher education and related issues

**Context:** Problems being faced by Universities in India.

What are some indications of the worsening state of India’s universities?

**Spending on higher education** (as a % of government expenditure) has stagnated at 1.3-1.5% since 2012.

Meanwhile, the Ministry of Education continues to **push higher education institutions to increase their intake capacity by 25%** (in a push to implement the 10% quota for economically weaker sections),

The Ministry of Finance has sought to **ban the creation of new teaching posts**.

At the central level, **student financial aid was cut** to ₹2,078 crore in FY 2022-23 from ₹2,482 crore in FY 2021-22; **allocations for research and innovation were down** by 8%, reaching ₹218 crore.

What are the challenges being faced by the Universities?

Universities are plagued by multiple crises –

**Financial crunch:** Investments in university infrastructure have shrunk. Most Indian universities and colleges have overcrowded classrooms, poor ventilation and sanitation, and unsatisfactory hostel accommodation.

– The Higher Education Financing Agency (HEFA), which provides funding for all infrastructure loans to institutions, saw its budget reduced from ₹2,000 crore in FY 20-21 to ₹1 crore in FY 21-22.

– Stifled cash flow has led to delays in salary payments for deemed/central universities. Hence, **most universities are running on a deficit** — Madras University saw an accumulated deficit of over ₹100 crore, forcing it to seek a ₹88 crore grant from the State government (Raman A. Ragu, March 2022)

– Faculty members have faced salary delays for months, with salaries coming in weeks later.

This has led to **cuts in discretionary spending** – many colleges in Delhi are unable to afford subscriptions to basic databases and journals.

**Grants under the UGC’s minor and major research project schemes have declined** from ₹42.7 crore in FY 2016-17 to ₹38 lakh in FY 2020-21. India has over 1,040 universities, but just

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2.7% offer PhD programmes, given paltry funding and poor infrastructure. The National Research Foundation (NRF), to improve research infrastructure in universities, has not yet been approved, and may have a limited budget (\$5-6 billion spread over five years).

**Fall in standards:** Academic standards and processes are not being maintained.

– **Examination paper leaks** have become common – the Hindi examination of the National Eligibility Test of the UGC, which enables post-graduate students who pass to teach in State and Central colleges, was leaked in June 2021.

**Repression:** Universities have played a crucial role in strengthening democracy and civil society. For instance:

– The **Central Hindu College (Delhi)**, inaugurated by Madan Mohan Malaviya, was a centre for political debate during the freedom struggle, with students and teachers joining the Quit India movement, and involved in the defence of Rash Behari Bose and Lala Har Dayal in 1915

And yet, of late, **institutional apathy has given way to repression**. Police action against students of select universities (JNU, Jamia Millia, for instance) for campus protests, along with arrests and incarceration, have cast a shadow over free expression in campuses.

What measure are required to be taken?

There is an **urgent need for increased funding**, along with establishing **dedicated funding streams for infrastructure grants/loans** and financial aid. Universities can also be freed up to utilise other revenue streams such as start-up royalties and advertising.

**Funding for research needs to rise significantly**, with institutions like the NRF supplementing (and not replacing) existing schemes (including those from the Ministry of Science). Funding should also be allocated to **enable course-based research experiences** for undergraduates.

Improving the sanctity of the examination process will **require a decentralised approach**, with universities allowed to take decisions on academic programmes, promotions, cohort size, etc.

We need to **embrace tolerance for a diversity of views in our campuses** – our students have formative experiences there and must have the space to define themselves as individuals.

### **DELIMITATION COMMISSION IN INDIA**

#### 20. **With delimitation over, a look at the slate for J&K**

**Source:** The post is based on an article “**With delimitation over, a look at the slate for J&K**” published in the “**The Hindu**” on **13th May 2022**.

**Syllabus:** GS2 Functioning of the parliament and legislative assemblies in India

**Relevance:** Jammu and Kashmir Assembly

**News:** In recent, the Delimitation Commission awards for redrawn map for Jammu and Kashmir’s Assembly has been notified.

#### **Background**

The State’s Assembly had been dissolved. It was under President’s rule. Thereafter, the State of J&K had been divided into **two Union Territories** under **the Jammu and Kashmir Reorganisation Act, 2019**. And fresh elections could be held under the J&K Reorganization Act 2019. Therefore, the delimitation of J&K assembly was very important for conducting fresh elections.

#### **Composition of the Commission**

Apart from **Retired Justice** Ranjana Prakash Desai, **Chief Election Commissioner (CEC)** Sushil Chandra **and J&K State Election Commissioner** K.K. Sharma were ex-officio members of the commission.

#### **Criticism of the commission’s award**

A long list of objections was made against the commission’s draft. But the final report does not summarise the objections nor address them point by point.

The commission has **not explained the methodology** based on which it awarded more seats to Jammu province relative to its population than the Valley province having a relatively larger population base. For example, Jammu gained **6 Assembly Seats** against **1 seat** gained by the Valley Province.

– In fact, the majority of the **six new constituencies** that are acquired by Jammu are Hindu-majority. Further, one Jammu constituency has a population of just over 50,000 people whereas a Muslim-majority constituency having the same physical features have close to four times its population.

It did not explain why **Jammu’s Muslim-majority seats** now comprise less than a quarter of the province’s total seats despite the fact the Muslims comprise over a third of the province’s population.

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The commission's recommended the President to **nominate Pandit migrants** to 2 Assembly seats, along the lines of reservation for Anglo-Indians in Parliament. However, it is silent on the nomination for Pandits who live in the Valley and West Pakistani refugees who live in the J&K.

### What is good in the award?

The commission proposed to **match the boundaries of Assembly and parliamentary constituencies**. This will ensure that Assembly and parliamentary constituencies match local administrative and police boundaries.

### What are the challenges to the commission's award?

Further, the Supreme Court of India is about to hear the **challenges** to the **reorganisation act 2019**. In continuation, if the Court decides the challenges are **valid**, then the delimitation exercise will be **nullified**.

The redrawn constituencies may result in **greater polarisation** of the community and people living in J&K in the next election. It may lead to risk of greater communal violence.

If the outcome of the J&K Assembly election results reflects a **sharp divide** between **Jammu** and the **Valley**, then it will make it more difficult to put together a **coalition administration** in the J&K Assembly.

### Way Forward

The Election Commission should not delay announcing **dates** for the **long overdue Assembly election** in Jammu and Kashmir as the redrawn constituencies have been notified.

In order to ensure the **peace process** in Jammu and Kashmir, there has to be a clean election, speedy restoration of statehood.

In fact, the commission itself proposed that the **report** be **placed** before **the legislative assembly**. Therefore, let the new Jammu and Kashmir assembly approve or query the delimitation report.

The government must give **attention** to **fundamental freedoms** of over a thousand Kashmiris who are held up in prison under sedition charges. They have been denied bail or asked to furnish punitive sureties.

### 21. On Delimitation in J&K: Beyond the boundary

**Source:** This post is based on the article "**Beyond the boundary**" published in **Business Standard** on **8th May 22**.

**Syllabus:** GS2 – Polity – Union and States

**Relevance:** Analysing the Delimitation in J&K

**Context:** Political considerations instead of constitutional proprieties appear to have influenced the delimitation of the Assembly and parliamentary constituencies in Jammu and Kashmir (J&K) by the fifth Delimitation Commission. The commission submitted its recommendations recently.



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Under what provisions the fifth Delimitation Commission was set up?

In setting up the fifth **Delimitation Commission**, the govt invoked a section of the **J&K Reorganisation Act of 2019**, which raised the number of seats in Jammu and Kashmir from 83 to 90 (to account for the fact that Ladakh was carved out as a separate Union Territory under this legislation) and sanctioned delimitation under the 2011 census.

It is worth noting that the commission's original mandate covered five states, including those in the Northeast, but these were dropped in early 2020, leaving J&K as the sole unit within its purview.

What are the issues associated with the decision?

**Objective not clear:** It is unclear why the exercise was undertaken when there was a freeze on the readjustment of parliamentary and Assembly seats in India until 2026.

The Act, which granted J&K's special status, has been **pending in appeal before the Supreme Court** for well over a year. Given the multiple constitutional questions that arose during the rapid passage of the law through Parliament, there is a risk that the Act may be overturned.

Why the commission's recommendations have met with criticism?

The **commission's recommendations have been rejected** by almost everyone in the Valley, primarily because of the seat distribution both in the Assembly and Lok Sabha.

– For one, it has retained the old, politically troublesome communal binaries between Jammu and Kashmir by allocating them 43 and 47 seats, respectively. In the Assembly, this new set-up **tilts the vote shares significantly**. Now, Jammu with 44% of the population will vote for 48% of the seats, whereas the Kashmir division with 56% of the population will vote for 52% of the seats.

The earlier configuration was better aligned to population share, with Jammu having 44.5% of the seats, and Kashmir 55.4%.

– The realignments of the parliamentary seats, too, have been problematic, with critics viewing the restructuring of the Jammu and Anantnag seats as **reducing the influence of the Kashmiri-speaking Muslim voters**.

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## **JUTE INDUSTRY AND RELATED ISSUES**

### 1. **West Bengal's jute industry barely hanging by a thread**

**Source:** The post is based on an article “**West Bengal's jute industry barely hanging by a thread**” published in the “**The Hindu**” on **14<sup>th</sup> May 2022**.

**Syllabus:** GS1 Factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India); and GS3 Indian Economy & issues and challenges in growth and development

**Relevance:** Jute Industry and Jute Industry in Crisis

**News:** Recently, the **West Bengal's jute industry** is facing a severe crisis. **Several mills** (like Reliance Jute Mill, the Gondolpara Jute Mill etc.) have announced the temporary suspension of operations this year.

#### **Status of jute industry in the West Bengal**

According to the **Indian Jute Mills Association (IJMA)**, there are about 93 jute mills in India, of which 70 are in West Bengal. Of the 70, 54 mills are located in the three districts of North 24 Parganas (25), Howrah (15) and Hooghly (14).

There are around **3.5 lakh workers** associated with the entire supply chain of the industry ranging from the production and trade of the golden fibre, production of the finished product among others.

#### **What are the factors behind the current crisis?**

The **recent crisis** began when the heavy increase in **maximum price of raw jute** by the **Office of the Jute Commissioner**. This led to a fall in procurement and mills decided to suspend work. There have hardly been any protests by **trade unions** in a State. There have been no demands that the mills open, nor have there been strikes. In fact, it is argued that there is no trade union left in the state.

At present, the jute mill owners in the West Bengal jute industry are already incurring **heavy losses**.

Non-implementation of **the Tariff Commission's report** for a fair price of B. Twill jute bags. It has caused a huge loss to the industry.

The jute mills are legally bound to supply jute bags to the government, for which they are reimbursed at the notified rate. Therefore, the jute industry has no other alternative but to sell the finished products at a loss.

According to a report of **the Commission for Agricultural Costs and Prices (CACP)**, 2022-2023, India's jute production has been declining during the last decade. There has been a



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decrease in **acreage** due to **shift** in **cropping pattern** to crops such as paddy, maize, groundnut, and sesame.

The demand for jute products is declining due to increasing demand for various types of synthetic substitutes.

The farmers also expressed concern about **extreme climate conditions**. This is impacting jute cultivation.

### **What are the impacts of the jute industry crisis?**

It is leading to the loss of **livelihood** of workers, owners and farmers. The Mill worker's family are facing **hunger** and **are** forced to take credit for their survival.

The century-old jute mills on both banks of the river Hooghly has become totally dysfunctional. The people of this region are witnessing **terrible riots** and **intense political battles**.

Mill workers living in the mill quarters have been facing the issue of **irregular power supply** ever since the mill closed.

Several retired employees have not received their **PF** dues because the management did not deposit its share.

The closed jute mills are witnessing **reverse migration**, with workers from Bihar and Uttar Pradesh going back to their homes after the mills closed.

### **The Way Forward**

The notified rate at which jute is purchased should be increased. If the government does not agree to pay more for the jute bags, the idea of switching over to **cheaper alternatives** may be a viable option.

The Government of India (GOI) has been considering continuing **anti-dumping duties** against imports of jute products from Bangladesh.

## **COAL SHORTAGE IN INDIA**

### 2. **Powering up after the power crisis shock**

**Source:** The post is based on an article "**Powering up after the power crisis shock**" published in the "**The Hindu**" on **10th May 2022**.

**Syllabus:** GS3 Infrastructure (Energy Sector)

**Relevance:** Power Crisis and Power Sector Reforms

**News:** India is currently going through a **power crisis**. Consequentially, the government has cancelled **passenger trains** to allow the Indian Railways to transport more coal to power plants. In addition, the directives have been issued to use more imported coal to tide over the supply shortfall.

### **Structure of India's power sector**

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Under the **Electricity Act**, the **Distribution Company (Discom)** is responsible to provide **electricity** reliably **round-the-clock** to all consumers to meet full demand. These Discoms work under the oversight of the **State Electricity Regulatory Commissions**.

The Discom enters into contracts with a number of generating companies in order to ensure adequate supply.

### How did the crisis take place?

#### Supply Side

A number of **coal-** and **gas-based power plants** were stranded in nature. They could be called as **non-performing assets**.

India has been witnessing slower and lesser **energy-intensive economic growth**. This led to **lower electricity demand** growth than expected.

The Discoms have failed to update the **demand growth projections** and **scenarios** over the **medium term**. Thus, they failed to enter into **adequate supply arrangements** in a robust manner with reserve margins.

Probably, the State Regulatory Commissions have failed to scrutinise them transparently.

#### Demand Side

The nature of electricity demand is undergoing a **qualitative transformation** with rising **daily** and **seasonal peaks**, and spikes on very hot or cold days. This has been due to higher incomes and the consequent increase in the use of air-conditioners and other electrical appliances.

India has been undergoing **robust economic recovery** after two waves of COVID-19. Further, India faced an unexpected heat wave.

#### Way Forward

The **consumer**, the **political class** and the **Regulatory Commissions** have the **collective responsibility** for reliable supply.

#### Tariff Related

There should be **meaningful political discussion** on the relative benefits from subsidies. In fact, the subsidies should be **restricted** to a specified level as provided in the Act.

The **Regulatory Commissions** should not act from a political point of view. It should determine **cost-reflective tariffs**.

#### Demand Side

There should be **peak demand moderation** through flattening of the **demand curve**. This can be done through a change in **consumer behaviour** with **smart meters**. In addition, there should be a **large differential** in **peak** and **off-peak rates**. Thus, consumers will resort to using cheap electricity during off-peak hours for geysers and washing machines.

#### Supply Side

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The Coal India needs to create capacities to rapidly ramp up production; and should increase coal production.

The Railways should ramp up its capabilities to carry larger quantities of coal when demand surges.

There is idle but **expensive generating capacity available** in India. The idle **gas-based power plants** can run on imported LNG, and the idle **thermal plants** can run on **imported coal**.

The consumers who are willing to pay more could be kept **free of power cuts** with purchase and supply of **more expensive electricity** generated from imported coal and gas. This would be shown as **a peak demand surcharge** in the bills.

The Regulatory Commissions should allow the Discoms to go in for bids for power storage (also, **large-scale grid storage**). This can help India achieve the goals of creating 500 GW of non-fossil fuel capacity including 450 GW of renewables by 2030.

The Discoms should ensure that they do not delay payment to the power generation companies. It is also time to move towards separate **peaking power procurement contracts** in addition to the present system of **long-term thermal power contracts**.

There is a need to look whether **Coal India** or **the Indian Railways** have defaulted or **power generators** have defaulted contractually in supplying power to Discoms. The contractual terms may be **tightened** with **enforceable financial penalties**.

India needs to transition to **demand-based time of day rates** of electricity for generators as well as consumers.

### **INDIA'S TRADE POLICY**

#### 3. **[It is time for our corporate sector to work on export performance](#)**

**Source:** This post is based on the article “**It is time for our corporate sector to work on export performance**” published in **Livemint** on **09th May 22**.

**Syllabus:** GS3 – Indian Economy

**Relevance:** India’s export sector

**Context:** In fiscal year 2021-22, India’s exports did rather well. They were nearly \$420 billion, raising hopes that India was putting behind it a decade of export under-performance.

For India to be a \$5 trillion economy by 2024-25, we need to export at least \$1 trillion worth of goods and services, as exports contribute around 20% to overall gross domestic product (GDP).

**What would it take to sustain India’s export growth?**

**Boost export competitiveness:** To export \$1 trillion by 2024-25, it is necessary to boost export competitiveness.

**– Do exchange rate devaluations affect export competitiveness?:** A country may mask its underlying competitive weakness by manipulating exchange rates—through devaluations, for

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example, or by maintaining a weak currency. In the case of India too, studies have pointed to the exchange rate as an important determinant of exports and our trade balance. However, it is not the key determinant.

Between 2011 and 2021, while the Chinese yuan appreciated by around 57% relative to the Indian rupee, our merchandise trade deficit increased by around 78% with China.

So there was **no improvement in our trade balance with China despite rupee depreciation** versus the yuan, implying there are other forces at work affecting export performance.

Other than the exchange rate, the following factors play a critical role in determining export competitiveness –

– tariffs and quotas

– non-tariff factors like infrastructure, research & development (R&D) expenditure, innovation, the ease of doing business and efficiency of logistics.

**Indian industry needs to urgently invest in technology**, corporate R&D and product innovations to be competitive and make India a global technology and innovation leader.

To reduce logistics cost and make supply chains efficient, the country must **digitize supply chain operations**, leverage disruptive technologies such as blockchain and Internet of Things, and move towards green supply chains.

[What are some associated issues?](#)

**Lack of R&D investment remains a concern for India**, as the share of gross domestic expenditure on R&D in GDP stood at a low 0.65% in 2018, as against 2% in China, and that too driven mainly by the government with a share of 56%.

Research suggests that **weak protection of intellectual property (IP) rights leads to low returns on innovation**, thereby disincentivizing companies to innovate. India ranked 43rd out of 55 nations in recent IP rankings.

**India holds a comparative advantage in mainly labour-intensive commodities** such as cotton, carpets and other textiles, etc, while Indian exports more capital-intensive products such as transport equipment, machinery and mechanical appliances. This is reflected in our declining share of labour-intensive exports over time, raising concerns for a country that is labour abundant.

In services sector, **export competitiveness does not exist for sectors like health and education**, despite India's inherent potential in providing cost-effective, high quality services in these areas. This is reflected in the negligible share of these services in total service exports.

[Way forward](#)

India's private sector needs to **acquire specialization in products** in which it is competitive.

India needs to **climb the rankings of the Economic Complexity Index**. The higher this score, the better the export performance. In the Harvard Growth Lab's 'Atlas of Economic Complexity',

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India's score in 2019 was 0.46. It was 0.32 in 2000. The country's global ranking has remained unchanged.

### **DIGITAL DIVIDE IN INDIA**

#### 4. **Double down on efforts to end internet poverty**

**Source:** This post is based on the article “**Double down on efforts to end internet poverty**” published in **Livemint** on **9th May 22**.

**Syllabus:** GS3 – Information Tech

**Relevance:** Digital divide in India

**Context:** Lack of digital access today is no small measure of deprivation. The internet is not just a basic necessity, but has become fundamental to civic and economic life.

**What is the situation wrt digital connectivity in India?**

As per studies, little under half the country's population are active on the internet, but users in rural India rose 45% from 2019, outdoing the urban count on growth.

**Hand-held telecom devices remain the primary mode** by which 99% of users get on the digital highway.

By Nielsen data, 60% of rural and 41% of urban residents remain offline.

Budget smartphones and dirt-cheap data.

**What are the upcoming challenges?**

**Global supply chain issues** due to Ukraine crisis and COVID freeze in Shanghai.

**High-speed data** had tariff hikes in 2021

Hence, India's digital divide may deepen just as the state's embrace of the net for service delivery tightens.

**Way forward**

Internet poverty can have severe consequences.

The longer we have digital have-nots, the harder it will become for our worst-off to come up.

Unmitigated inequality would put India's economy at risk of middle-income stagnancy. Let no citizen get left offline who'd rather not be.



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### **FOOD INFLATION AND RELATED ISSUES**

#### 5. **The Problem on Our Plate**

**Source:** This post is created based on the article “The Problem on Our Plate” published in The Times of India on 11<sup>th</sup> May 2022.

**Syllabus:** GS Paper 3- Indian Agriculture– Crops and cropping patterns in India

**News:** Commodity prices are increasing globally.

Prices of grains, feed and meat, and edible oils, in particular, are surging.

Russia and Ukraine together contributed roughly one-fourth (or 52 million metric tonnes [MMT]) of global wheat exports of 203 MMT in 2021-22.

#### **What can be done to control inflation?**

**The main reason behind the upward cycle in commodities** was massive liquidity injections by G20 countries through loose monetary and fiscal policies. Thus, the following approach can be adapted to control inflation:

**Tightening the monetary and fiscal policies** to suck in the excess liquidity from the system.

All **exporting countries need to step up their production and exports** to fill in the shortfall caused by the Russia-Ukraine war. For example, Europe, Australia, the US, Canada, and Argentina can fill the gap for the shortfall in wheat. Whereas, India can surely play a critical role in Rice supplies till the storm of inflation is over.

In India, the **government can procure large wheat stocks** from farmers and incentivize them to plant more area under wheat in the next season.

#### 6. **How to tackle food inflation – and how not to**

**Source:** The post is based on articles “**How to tackle the food inflation and how not to?**” published in the **Indian Express** on **09th May 2022**, and “**Food inflation has not started to hurt India yet. Stepping up production can help country duck global trend?**” published in the **Indian Express** on **09th May 2022**.

**News:** Recently, The RBI raised the repo rate by 40 basis points (bps) and the cash reserve ratio (CRR) by 50 bps aimed to control inflation.

#### **Why has the repo rate and CRR rate been increased in India?**

##### **Domestic Food Inflation**

India is seeing high food inflation in wheat, edible oils, maize etc.

##### **Global Food Inflation**

The **Food and Agriculture Organisation’s food price index** has recorded **high inflation globally** among all commodity group due to **supply disruptions** from the war, **dry weather** in South America, **high crude prices** inducing greater diversion of corn, sugar, palm and soyabean oil for bio-fuel, and so on.



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- Therefore, it can be said that the **global food inflation** is getting “generalised”.

**India’s vulnerability to global inflation:** The transmission of the above global inflation to **domestic food prices** basically depends on how much of a **country’s consumption/production** is imported/exported. Therefore, India is vulnerable to prices of **edible oils** and **cotton**. Their inflation can be transmitted to **India’s domestic food prices**. For example, **two-thirds** of India’s edible oil consumption is imported and a fifth of Cotton’s production is exported.

### **Will the measures control inflation, especially food inflation?**

Probably not yet. The RBI has been behind the curve by at least 4-to 5 months. It may be difficult to rein in **food inflation**, which is surging faster than the overall **consumer price index (CPI)**. India cannot remain insulated from the phenomenon of **global food inflation**. India is vulnerable to import prices of **edible oils** and **fertilisers**.

### **What are the opportunities from global food inflation?**

There has been **record breaking cereal export** in FY22. Among cereals, wheat exports and rice exports (crossed 20 MMT in FY22 in a global market of 50 MMT) have witnessed an unprecedented growth in FY22.

Therefore, the government has set a target of 10 MMT for wheat exports in FY23 and it has been expected to go even up to 15 MMT.

### **Way Forward**

#### **(A) Monetary Policy**

If the RBI has to make up for lost time, it will have to repeat the raising repo rates and CRR by at least three more times in this fiscal year (FY23) to mop up excess liquidity in the system.

#### **(B) The government’s side**

**Global food inflation** is a reality. In order to contain its import of the inflation into domestic market, the **domestic production** should be stepped up. For this, the government should announce the **kharif MSPs** with **credible procurement plans** for oilseeds and pulses. The government should ensure timely availability of seed, fertiliser, crop protection chemicals and credit.

The government should not resort to **knee-jerk export bans** or stocking controls. This will only disincentivise producers.

**The public distribution system** and PMGKAY should be rationalized. The government can effectively target the **massive food subsidy** and save resources for the higher import bill on edible oils and fertilisers.

In the wake of **lower production** and **procurement** of wheat, rice can be used as a substitute for wheat in the NFSA and PMGKAY. The beneficiaries can be given option to receive cash in their Jan Dhan accounts in lieu of grains. This is permitted under NFSA. This can also save on the **burgeoning food subsidy bill**.

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The **policymakers should not suppress prices** by intervening in the markets through stock limits on traders, putting minimum export prices or outright bans on exports etc.

Indian farmers should be allowed to **access global markets** to augment their incomes. The government must facilitate minimising marketing costs and investing in efficient logistics for exports to develop more efficient **export value chains**.

### (C) Climate Change Adaptation

The **massive Agri-R&D investment** is needed to find **heat-resistant varieties** of wheat and also create models for **“climate-smart” agriculture**.

## POVERTY AND RELATED ISSUES

### 7. [This is how poverty in rural India came down](#)

**Source:** The post is based on an article **“This is how poverty in rural India came down”** published in the **Indian Express** on **09th May 2022**.

**Syllabus:** GS2 Hunger and Poverty in India

**Relevance:** Rural Poverty

**News:** A recent World Bank Report has shown that extreme poverty in India has come down from 22.5% in 2011 to 10.2%. Further, the reduction was in rural areas from 26.3% to 11.6% which was higher than urban areas.

#### **How poverty in rural areas was reduced at a faster pace.?**

First, the **identification** of deprived households on the basis of the Socioeconomic and Caste Census (SECC) 2011 across welfare programmes. The SECC used key **deprivation criterion**. This led to **greater coverage** of SC and ST communities and the backward regions in Bihar, MP, Rajasthan, UP, Jharkhand, Odisha, Chhattisgarh, Assam, Rajasthan and rural areas of Maharashtra.

Second, the **PRI-SHG partnership** catalysed changes. This increased the pace of poverty reduction. Further, Aadhar enabled an ecosystem for curbing corruption at several levels. This partnership increased **coverage of women** under the **Deendayal Antyodaya Yojana** etc.

Third, **Finance** Commission transfers were made directly to gram panchayats. This helped in creation of **basic infrastructure** like pucca village roads and drains etc. at a much faster pace in rural areas. The **infrastructure creation programme** created greater opportunities for employment in rural areas.

Fourth, the focus on **livelihood diversification** (both farm and non-farm livelihoods) and **availability of credit** increased in the rural areas under the NRLM. The **social capital of SHGs** was leveraged. The credits were provided by banks, micro-finance institutions and MUDRA loans.

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Fifth, the schemes for gas and electricity connections, LED bulbs, accident insurance, life insurance, bank accounts and immunisation were very well implemented due to **community-led action** under **the Gram Swaraj Abhiyan in 2018**.

Sixth, there was also thrust on **universal coverage** for individual **household latrines, LPG connections** and **pucca houses**.

Seventh, during this period, huge amounts of **public funds** were transferred to rural areas for development efforts.

Eighth, there was thrust on a “**people’s plan campaign**”, “**Sabki Yojana Sabka Vikas**” for preparing the Gram Panchayat Development Plans from 2017-18 onwards. This laid the foundation for robust community participation involving panchayats and SHGs, especially in ensuring accountability.

Ninth, social and concurrent audits were organized to ensure full utilization of the funds and resources.

Tenth: The programmes like the MGNREGS were upgraded to create durable and productive assets. This helped marginal and small farmers in improving their homesteads, and diversifying livelihoods.

Tenth, this was an era of **competitive federalism**. Nearly all states and UTs focussed on improving livelihood diversification in rural areas and on improving infrastructure significantly. All these factors contributed to **improved ease of living** of deprived households and improved their **asset base**.

### **What are the challenges ahead?**

The **pandemic** and the **Ukraine crisis** are posing challenges to the gains made in poverty reduction up to 2019.

GS3 – SCIENCE AND TECH – AWARENESS IN THE FIELD OF SPACE

### **SPACE BASED AUGMENTED SYSTEM (SBAS)**

#### **8. In Business & Security, Sky Isn't The Limit For GAGAN**

**Source:** This post is based on the article “**In Business & Security, Sky Isn't The Limit For GAGAN**” published in **The Times of India** on **8th May 22**.

**Syllabus:** GS3 – Science and Tech

**Relevance:** India's Space-Based Augmented System (SBAS)

**Context:** Recently, an IndiGo ATR aircraft landed at Kishangarh Airport in Rajasthan using GAGAN, India's own Space-Based Augmented System (SBAS).

**Why this is a significant achievement for India?**

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Though only a trial, the landing was a significant achievement that could **allow aircraft to operate in poor weather conditions at smaller airports** that lack expensive instrumentation.

The landing was also a **rare demonstration of how the US Global Positioning System (GPS) could be augmented for use in critical 'safety of life' applications** like aviation.

More significantly, GAGAN shows the **profound effects that satellite navigation has had on both commercial and military undertakings**. As satellite navigation matures, these effects are only likely to deepen and thus influence India's own relative power in the world.

### What is GAGAN?

GAGAN is an acronym for **GPS Aided GEO Augmented Navigation**, and its infrastructure reaches from earth to space.

On earth, reference stations receive American GPS signals that are then collated and corrected for ionospheric distortions and other errors.

The corrected signal is then broadcast from three Indian geostationary satellites, providing a more accurate and reliable service for aircraft.

What are the augmented systems already in place around the world?

### Utility of augmented systems

– Besides guiding aircraft, these augmented systems could help ships navigate narrow waterways, assist the coordination of train routes, and manage traffic jams on highways.

### Augmented systems around the world

**GAGAN** is only one of many augmented systems already in place or being developed around the world.

The **WAAS system** covers North America, while **EGNOS covers Europe**.

China is developing its own system based on the **BeiDou constellation of navigation satellites**. As China's reliance on BeiDou indicates, spacefaring states are setting up their own constellations. BeiDou is the most ambitious of these, with a constellation of 45 satellites providing global coverage. Europe's Galileo has 24 satellites and Russia's GLONASS, 23.

The **Indian Regional Navigation Satellite System (IRNSS)**, also known as NavIC, consists of just seven satellites and provides services in India and its neighbourhood. Together, these satellite services **complement GPS**, providing better coverage in some regions. However, they also **compete with GPS**, providing users with viable alternatives and eroding what was effectively an American monopoly.

Why India has struggled with NavIC?

India has struggled to **get civilian users on NavIC**. A major reason for this was the lack of chipsets that could receive NavIC signals on mobile phones or vehicles.

– This prompted ISRO to **reach out to chipmakers like Broadcom and Qualcomm**. Mobile phone manufacturers have also begun to provide NavIC support.

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– The government has even made it **mandatory for public and commercial vehicles in India to carry NavIC-based trackers.**

*Why indigenous navigation systems are a necessity?*

**National security:** In times of crisis, other states could choose to deny such services, wreaking havoc on both businesses and military operations. Indeed, satellite navigation cannot be separated from its military utility.

– In 1999, the US denied India the use of GPS to help fight Pakistani intruders in Kargil, a decision that sparked India's efforts to build its own navigation system.

### **Way forward**

In the coming decades, competition over satellite navigation is likely to intensify as states improve their own capabilities and try to deny them to adversaries.

GS3 – INDIAN ECONOMY – MOBILIZATION OF RESOURCES

### **OFF-BUDGET BORROWINGS**

#### 9. [Equating states' off-budget borrowings with their debt will clarify extent of indebtedness](#)

**Source:** This post is created based on the article "**Equating states' off-budget borrowings with their debt will clarify extent of indebtedness**" published in **Indian Express** on **11<sup>th</sup> May 2022**.

**Syllabus:** GS Paper 3- Fiscal policies

**News:** This year, off-budget borrowings by the states will be equated with the states' own debt.

#### **What are off-budget borrowings?**

Off-budget borrowings refer to loans taken by state govt. entities, special purpose vehicles, etc. These loans are serviced through the state government's own budget, instead of revenues generated by the borrowing entity.

As per the Department of Expenditure, using off-budget borrowings, states are effectively breaching the ceiling set by the Centre. Thus, states are surpassing the fiscal deficit limits set under state Fiscal Responsibility and Budget Management Acts,

#### **What are the changes?**

Under Article 293 (3) of the Constitution, if the state government has taken loan from the central government, it needs to take the Centre's permission for fresh borrowing.

The central government decides fiscal deficit target for state governments for 5 years, after considering the finance commission's recommendations. Thus, the net borrowing ceiling of states is defined by the central government.

The borrowing ceiling set in this manner acts as a soft constraint to that year's state-wise fiscal deficit.



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However, earlier, off-budget borrowings were not considered in this calculation. But, from now on, all incremental off-budget borrowings from 2020-21 will be adjusted from this year's ceiling.

### **Implications of changes**

It will lead to large downward adjustments in some States' effective borrowing room.

It will bring in much-needed fiscal transparency in an area that has been cloaked in opacity.

States will find it difficult to fund their expenditures.

### **DISINVESTMENT AND RELATED ISSUES**

#### **10. The reasons behind the slow disinvestment pace**

**Source:** This post is based on the article "**The reasons behind the slow disinvestment pace**" published in **Livemint** on **10th May 22**.

**Syllabus:** GS3 – Indian Economy – Mobilization of Resources

**Relevance:** Disinvestment and related issues

**Context:** The government aims to earn ₹65,000 crore through the sale of its stakes in various central public sector enterprises (CPSEs) in FY23. However, privatization is still on the slow track.

#### **What is the Centre's disinvestment plan?**

Under its Public Sector Enterprise (PSE) policy, the government plans to:

- open all public sector units (PSUs) for private investment,
- fully exit sectors it considers non-strategic, and
- keep at least one PSU in sectors it considers strategic.

The government also sells equity through **initial public offerings (IPOs), follow-on public offerings (FPOs), or offer for sale of listed entities.**

#### **What is responsible for these delays?**

The **covid-19 pandemic posed several hurdles to the government's disinvestment plans.** Strategic sales stalled over FY21 and FY22 when India saw three waves of the pandemic, largely because potential investors were unable to physically inspect the assets, conduct due diligence and submit bids.

Disinvestment has also faced **opposition from employees** fearful of job losses.

Several **state governments have opposed privatization** as well.

#### **How important is disinvestment?**

Disinvestment is a strategy for the government to **reduce its fiscal burden** and raise money to meet the needs of investments towards creating value for the public, which can be in the form of **creating infrastructure or towards welfare schemes.**

Disinvestment is also seen as a **way to unlock the value of under-performing assets.**



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Thus, through the privatization of some PSEs, the Centre can seek **private sector investments** to turn around loss-making or under-performing units. This, in turn, helps in creating further **employment creation**.

### Has the Govt met its disinvestment targets?

The government has rarely met targets set for disinvestment over the past several years, putting pressure on the government's plans to balance out the fiscal deficit.

For the pandemic-hit fiscal years—FY21 and FY22—the government fell far behind achieving its targets with ₹32,845 crore achieved in FY21 against target of ₹2.1 trillion, and ₹13,530 crore achieved against a target of ₹1.75 trillion, which was later revised downwards to ₹78,000 crore.

For FY23, it has rationalized the disinvestment target to ₹65,000 crore.

### 11. The government is business

**Source:** This post is based on the article “**The government is business**” published in **The Hindu** on **9th May 22**.

**Syllabus:** GS3 – Indian Economy – Mobilization of resources

**Relevance:** Generating revenue from the market

**Context:** In case of India, the only avenue for revenue generation seems to be taxes. However, like other countries, for instance, Singapore and China, markets, wealth management and dividends are not explored.

If markets create wealth, why can't the government create it and use it for creating prosperity for the public?

How are Singapore and China generating wealth via markets?

#### Singapore

The **Government of Singapore Investment Corporation (GIC)** invests internationally in equities. It owned shares worth about **₹1.09 lakh crore** at the end of March 2022 in India alone. Around the world, GIC investments amount to about ₹55 lakh crore. GIC is the **eight largest wealth management fund** in the world. This money is **also used by the government for public welfare**.

Another arm of the Singapore government, **Temasek Holdings**, has investments worth **₹22 lakh crore**.

To get a perspective of things: the Indian government's budget expenditure for 2022-23 is **₹39.45 lakh crore**.

#### China

By 2017, Chinese government-owned companies had invested **₹67.5 lakh crore in overseas companies**. This is about **27%** of India's GDP.

What is the situation of govt holdings in Indian companies?

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The total market value of Indian government holdings is **only ₹13 lakh crore**, far less than China or even Singapore.

**Overseas holdings** through these companies is **negligible**.

The Navratna PSUs are performing well, but are being sold.

Why PSUs are being disinvested, and what should be the policy approach by India?

The prevailing ideology that the government has no business to be in business is used to justify disinvestment. The real reason is the **growing government deficit**. India uses a western ideology about government-owned companies, but forgets that what the West preaches is for others and what it practices is in national self-interest. The world's list of top asset-holding PSUs includes the U.S., Israel and the European Union countries. But there are none from India.

### **Policy approach**

Instead of being disinvested, the Navratna PSUs should **invest overseas, increase their wealth, and create greater economic influence** as China is doing.

The smaller and loss-making need to be disinvested, the **profitable ones can be reformed** by altering archaic rules and removing political interference.

There is **excellent talent in the PSUs**. Other talent from the private sector can also be brought in. **Salaries for key top personnel should be in line with worldwide best practices**, along with real accountability.

The success of enterprises and startups shows that there is **abundant managerial talent**, which needs to be harnessed in national interest.

Why India should learn from other countries, like Singapore?

**National and public interest:** The source of wealth has shifted from land to natural resources, to the industrial sector and now to the **knowledge economy**. Assets are largely in the financial markets today.

If the Indian government invests like Singapore, that will give it much more funds than disinvestment ever can. Meanwhile, ownership remains intact. A few caveats are required.

– Singapore **invests in long-term assets**, and does not take risky decisions.

Another powerful reason is **managing government finances**. Other avenues of wealth generation, like markets, wealth management and dividends need to be explored.

– India needs to **look for talent from our financial markets** rather than from the government only. There are well-known **entrepreneurs and wealth managers** in the stock markets. The government can surely use their talent for the greater public good.

– The example from the 1980s in telecom, recent examples of Aadhaar, and the creation now of a government platform called ONDC to increase marketing power of ordinary kirana stores shows how private sector talent can be harnessed for public good.

## **BANKING IN INDIA**

### 12. **How Indian banking has changed over the last decade**

**Source:** The post is based on an article “**How Indian Banking has changed over the last decade**” published in the **Live Mint** on **09th May 2022**.

**Syllabus:** GS3 – Indian Economy

**Relevance:** Banking Sector

**Context:** Over the last decade, the nature of commercial banking in India has changed a lot. This has taken new form in various ways.

#### **What changes have taken place in commercial banking in India?**

(1) **Industry vs Retail lending:** Commercial banks in India broadly carry out four different kinds of lending: agricultural, industrial, services and retail.

Between 2007 and 2014, the banks gave more and more loans to industry as a proportion of **non-food credit**. From mid-2014 onwards, the **industrial lending** started to slow down and **retail lending** (housing loans, vehicle loans, personal loans, consumer durables loans, education loans, etc.) started to go up.

(2) The **private banks** have become important lending players in addition to the public sector banks (PSBs).

#### **How did this happen?**

**How did industrial loan increase between 2004 to 2013?** At that time, the **Indian economy** was growing at a higher rate. India was deemed to be the next China. Therefore, corporates started investing in big infrastructure projects from power plants to steel plants. Therefore, the banks disbursed a lot of industrial loans as a proportion of non-food credit.

**How did industrial loan decline?** The industrial loans were disbursed without **due-diligence**. Many projects faced delays due to a lack of environmental clearances, non-environmental clearances, land acquisition, roadblock on policy issues, etc. These projects did not take off. The corporates could not repay the loan. Therefore, more fresh loans were disbursed to prevent any default. These loans turned out to be bad loans.

Since 2014, the **industrial loans** could not be extended because the banks were reluctant to lend more to industries, many companies were unable to borrow loans and the Reserve Bank of India (RBI) placed many public sector banks under the **prompt corrective action (PCA)** framework.

**How has the retail lending increased?** The balance sheets of banks have gradually improved because the banks have **written off** the bad loans, the **PSBs have been recapitalized**, the **recovery** of a few bad loans took place, and the **prompt corrective action (PCA)** framework was

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imposed by the RBI. Therefore, the bank's lending improved and the bank's preferred retail lending to industrial lending. However, this rise was largely driven by the rise of **housing loans** as a proportion of non-food credit.

**How privatization of banking took place?** PSBs could not lend, operate and compete well due to **accumulated bad loans**. Therefore, the new generation private sector banks found an opportunity to grow their share in the **overall bank lending** in India. They disbursed more loans than public sector banks (PSBs). The private banks have managed to lend around 85% of the deposits raised by them. Whereas, the public sector banks managed to lend around 64% of the deposits raised by them. This means the PSBs have been losing market share and **privatization** by stealth is quietly on.

**How does the future look?**

**More chances of decline in Industrial lending?** In 2021-22, new projects worth ₹14.3 trillion were announced. This is around 40% lower than new projects announced in 2014-15 and 47% lower than new projects announced in 2008-09. This fall has been on account of the **weak capacity utilization** of the existing infrastructure to make things. In this scenario, banks will get **fewer opportunities** to give out **industrial loans**. In fact, now, corporates have more ways to finance their projects.

**New areas of lending:** There have been a rise of **intangible intensive firms**. Earlier, Banks could lend against the **tangible physical assets** (like machines, buildings, vehicles, computers etc.) which could be sold in case of default. But now, demands are for **intangible assets** like research and development, branding, organisational development, and software etc.

**Rise of Fintech in banking:** Many unicorns in India are in the **fintech space**. These firms are looking to break the **conventional banking business model** of having a physical presence through branches and personal visits to raise deposits, carry out lending and offer wealth management services.

GS3 – AGRICULTURE – MAJOR CROPS: WHEAT

### **FALL IN THE PROCUREMENT OF WHEAT**

#### 13. **Explained: Behind low wheat procurement**

**Source:** This post is based on the article "**Explained: Behind low wheat procurement**" published in **The Indian Express** on **10th May 22**.

**Syllabus:** GS3 – Indian Economy, Agriculture

**Relevance:** Procurement of wheat

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**News:** From an all-time high last year, procurement of wheat is set to hit a 15-year low this season, falling below existing stocks for the first time. What has led to this, and will it impact availability?

What are the reasons for the fall in procurement?

There are two main reasons:

**1) Rise in Export demand: Supply disruptions** from the Russia-Ukraine war – the two countries account for over 28% of global wheat exports – have led to skyrocketing prices and a further **increase in demand for Indian grain.**

**2) Lower production: A sudden spike in temperatures** from the second half of March — when the crop was in grain-filling stage, with the kernels still accumulating starch, protein and other dry matter — has taken a toll on yields.

In most wheat-growing areas — barring Madhya Pradesh, where the crop is harvest-ready by mid-March — farmers have reported a **15-20% decline in per-acre yields.**

Thus, a smaller crop, in combination with export demand, has resulted in open market prices of wheat crossing the MSP in many parts of India.

What are the key requirement areas for procured wheat?

### **Requirements:**

- A minimum operational stock-cum-strategic reserve has to be maintained
- Annual wheat requirement for the public distribution system, midday meals and other regular welfare schemes, is around 26 mt.
- The last two years have also witnessed substantial offtake under the Pradhan Mantri Garib Kalyan Anna Yojana scheme (10.3 mt in 2020-21 and 19.9 mt in 2021-22) and open market sales to flour mills (2.5 mt and 7.1 mt, respectively).
  - There's clearly not enough wheat for these, which explains the Centre's recent decision to slash allocation under the PMGKAY.

What is likely to happen now?

Simply put, one can expect a rerun of what happened in 2006-07 and 2007-08. That period, too, saw a **worldwide agri-commodity price boom and production shortfalls**, causing reduced procurement and depletion of stocks.

However, the relatively tight supplies in wheat this time is **compensated for by the comfortable public stocks of rice.** At over 55 mt as on April 1, these were more than four times the required buffer of 13.6 mt.

And a **good monsoon should further augment availability** from the ensuing kharif crop and tide over the shortages in wheat.



### **STATE OF WORLD'S BIRDS REPORT**

#### 14. **The grim forewarnings of a global study on birds**

**Source:** This post is based on the article “**The grim forewarnings of a global study on birds**” published in **The Hindu** on **11th May 22**.

**Syllabus:** GS3 – Environment and Ecology

**Relevance:** State of the World’s Birds report

**Context:** The State of the World’s Birds, an annual review of environmental resources, has revealed that the population of 48% of the 10,994 surviving species of birds is declining.

The report led by the Manchester Metropolitan University gives an overview of the changes in the knowledge of avian biodiversity and the extent to which it is imperilled.

**What are the key findings of the study?**

5,245 or about 48% of the existing bird species worldwide are known or suspected to be undergoing population declines. While 4,295 or 39% of the species have stable trends, about 7% or 778 species have increasing population trends. The trend of 37 species was unknown.

1,481 or 13.5% species are currently threatened with global extinction. These include 798 species classified as vulnerable, 460 as endangered and 223 as critically endangered while 52 species were considered to be data deficient.

**For more findings:** Click [here](#)

**What is the importance of birds to ecosystems and culture?**

Birds **contribute toward many ecosystem services** that either directly or indirectly benefit humanity. These include provisioning, regulating, cultural, and supporting services.

The **functional role of birds within ecosystems** as pollinators, seed-dispersers, ecosystem engineers, scavengers and predators facilitates accrual and maintenance of biodiversity. It also supports human endeavours such as **sustainable agriculture via pest control**, besides aiding other animals to multiply. For instance, coral reef fish productivity has been shown to increase as seabird colonies recovered following rat eradication in the Chagos archipelago.

Wild birds and **products derived from them are also economically important** as food (meat, eggs). Approximately 45% of all extant bird species are used in some way by people, primarily as pets (37%) and for food (14%).

The **cultural role of birds** is perhaps more important than any other taxonomic group, the study says. Beyond its symbolic and artistic values, **birdwatching is a global pastime** practised by millions of people.

- **Garden bird-feeding** is valued at \$5-6 billion per year and growing by four per cent annually.



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What are the threats contributing to avian biodiversity loss?

The study lists eight factors, topped by land cover and land-use change.

The **continued growth of human populations and of per capita rates of consumption** lead directly to conversion and degradation of primary natural habitats and consequent loss of biodiversity. Although global tree cover increased between 1982 and 2016, this has been driven by afforestation with plantations (often of non-native species) plus land abandonment in parts of the global North, with net loss in the tropics.

The other factors are **habitat fragmentation and degradation**, especially in the tropics; **hunting and trapping** with 11 to 36 million birds estimated to be killed or taken illegally in the Mediterranean region alone; the **impact of invasive alien species and disease; infrastructure, energy demands and pollution; agrochemical and pharmaceutical usage** (pesticide ingestion kills an estimated 2.7 million birds annually in Canada alone); **global trade teleconnections**; and **climate change**.

Can the avian biodiversity loss be stemmed?

Yes.

The growing footprint of the human population represents the ultimate driver of most threats to avian biodiversity. So the success of solutions will depend on the degree to which they account for the social context in which they are implemented, and **our ability to effect changes in individual and societal attitudes and behaviours**.

Emerging concepts of **conservation social science** can inform efforts to address biodiversity loss and to achieve more effective and sustainable conservation outcomes.

- Conservation social science links birds to human well-being, sustainability, climate resilience, and environmental justice.

GS3 – ENVIRONMENT – ENVIRONMENTAL ISSUES

### **ENVIRONMENTAL PHILOSOPHY**

#### 15. **Shallow and deep ecologism**

**Source:** The post is based on an article “**Shallow and deep ecologism**” published in the “**The Hindu**” on **12th May 2022**.

**Syllabus:** GS3 Environment and Ecology

**Relevance:** Environmental Philosophy

**News:** India continues to face with the unrelenting heatwave. Although, heat waves are known to have been a reality for hundreds of years. But more extreme, frequent and prolonged heat

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waves in recent has exposed the long-term effects of climate change which have exacerbated them.

### Concept of Ecologism

The **concepts** emerged in the 1970s, when Norwegian philosopher Arne Næss sought to look beyond the popular pollution and conservation movements of his milieu to address environmental degradation.

In his study, he viewed nature and themselves as two competing entities, therefore, established **a master-slave dynamic**. There are two strands of environmental philosophy that reinvent the relationship between nature and humans

### Two styles of ecologism

(1) **Shallow ecologism**: Also referred to as **weak ecologism**, refers to the philosophy wherein the present **lifestyle** is continued, but with specific tweaks to minimise the damage to the environment. He termed this powerful and fashionable fight against pollution and resource depletion as shallow ecologism or environmentalism.

– For example, using vehicles that cause **less pollution** or **air conditioners** that do not release **chlorofluorocarbons (CFCs)**.

(2) **Deep ecologism**: It refers to the philosophy wherein the exponents believe that humans should **radically change** their relationship with nature. It rejects **shallow ecologism** as it prioritises humans above nature. It aims to **preserve nature** subsequent to **environmental destruction**.

– For instance, the wealthier countries are responsible for a majority of carbon emissions. For instance, the US constitutes only 5% of the world's population, but consumes 17% of the world's energy consumption. In addition,

### Objectives of deep ecologism

It aspires to **sustain nature** by making large-scale changes to our lifestyle. For example, limiting the **commercial farming**, reducing the artificial fattening of animals, or the reshaping of transport systems.

In addition, it **shifts the attention from pollution and conservation narratives** to robust policy formulation and implementation. The policies must include technical skills and inventions which are **ecologically responsible**.

In addition, deep ecologism advocates for a re-evaluation of the **'survival of the fittest' doctrine**. It advocates that doctrine should be understood through the perspective of **cooperation** and **coexistence** with nature, as opposed to **competition, exploitation** or **domination**.

The deep ecologists prioritise a principle called the **'live and let live'** attitude over an **'either you or me'** approach.

### What are the issues in Shallow ecologism?

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A narrow focus on pollution and conservation movements is counterproductive.

- For example, projects implemented only to solve pollution generates evils of a different kind, like the installation of pollution control devices may increase the cost of living, leading to an increase in class difference.

The environment becomes more **vulnerable** when decisions are strongly influenced by **majority rule** without taking local interests into consideration

### Way Forward

We should adopt **ethically responsible ecologism** which operates in the interest of all economic classes.

There should be **decentralisation** of the decision-making process. This can be done by strengthening **local autonomy**.

A **holistic approach** is needed to solve the **environmental crisis**. It demands avoiding adoption of a 'vague, global' approach. It should acknowledge **regional differences** and the disparities between **under** and **over-developed nations**.

The responsibility of solving the climate crisis falls on both **policy-makers**; and **scientists** and **ecologists**. Therefore, the political class or those who are in positions of power should be held accountable.

GS3 – ENERGY AND INFRASTRUCTURE – ELECTRIC VEHICLES

### **ELECTRIC VEHICLES AND RELATED ISSUES**

#### 16. **We require dependable ways to recycle lithium batteries**

**Source:** This post is based on the article “**We require dependable ways to recycle lithium batteries**” published in **Livemint** on **11th May 22**.

**Syllabus:** GS3 – Environment, Industrial policy and growth

**Relevance:** Reuse and recycling of lithium batteries

**News:** In March 2022, the Indian government announced four recipients for its Production Linked Incentive (PLI) scheme for advanced cell chemistry batteries, which aims to establish 50 gigawatt hours (GWh) of domestic cell manufacturing capacity by 2030.

The establishment of a domestic manufacturing capacity will be essential for ensuring supply chain and energy security.

However, scarce materials that are used in lithium-ion battery chemistries, such as cobalt, nickel and graphite, pose a significant risk for India, which has extremely limited domestic reserves of these materials. The industry's upstream supply chain is largely dominated by China, and markets have been volatile.

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Hence, a **robust reuse-and-recycling programme for batteries** will enable India to reduce raw material risk and help the country establish sunrise industries that are climate-friendly.

What steps are being taken globally and by India wrt building recycling capacity?

### Globally

Several international actors are taking steps to build necessary recycling capacity as a response to growing battery demand.

- In **China**, a suite of policies introduced in 2018 was aimed at the growth of recycling centres in proximity to electric vehicle (EV) manufacturing hubs.
- In the **West**, the EU has begun the process of establishing policies requiring collection targets, coupled with minimum local content requirements.
- In the **US**, the country's department of energy has awarded grants to innovative recycling companies.

### India

India has also taken steps to establish a **domestic market for battery recycling**.

In February 2020, the ministry of environment introduced **draft rules on battery-waste management**. These rules would establish an extended producer responsibility (EPR) programme.

- Under an EPR framework, stakeholders in the domestic battery industry (including manufacturers, producers and importers) would be responsible for **establishing a collection plan to be approved by regulators**. The plan must enable the collection of 30% of end-of-life batteries by weight two years after implementation, and gradually escalate this to 70% by the seventh year.

What are the potential benefits of setting up a recycling ecosystem in India?

Under the EPR programme, materials recovered from recycled EV lithium batteries could **provide 5% of India's domestic manufacturing needs** for minerals such as lithium, nickel, cobalt, and graphite by 2030. The quantity of recoverable material will only increase with time as the volume of EV batteries due for retirement increases.

Utilization of recovered minerals to meet lithium battery demand within India would **reduce greenhouse gas emissions** by avoiding upstream emissions associated with extraction, processing and transportation.

Further, as the Indian power grid gets decarbonized, the lithium battery manufacturing process will also become less carbon intensive. Battery recycling would therefore **reduce risks to the domestic battery-making industry** while complementing the national emissions reduction targets announced by India at the CoP-26 summit held in Glasgow last November.

How the draft rules on battery waste mgmt can be improved?

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Currently, they have only set a battery collection target, but the policy can be used to bolster the market for second-life batteries.

The draft rules should also look to **include specific language on hazardous material transport and handling guidance** for lithium batteries, formalize second-life performance standards and warranties, and also establish a transparent methodology for identifying issues and stages for remediation and penalties.

In the meanwhile, the plans of battery industry stakeholders must take into consideration how costs will impact EV market parity vis-a-vis conventional vehicles, and what mechanisms are used to incentivize consumer adoption.

### Way forward

The implementation of a reuse-and-recycling programme would not only enhance the resource security of the country's vehicle electrification and energy transition ambitions, but could also deliver **economic development and job growth**, while ensuring improved public health and environmental safety.

GS3 – SCIENCE AND TECHNOLOGY – INFORMATION TECHNOLOGY

### **CYBERSECURITY AND RELATED ISSUES**

#### 17. **A regulatory overload could weaken our cyber security**

**Source:** This post is based on the article “**A regulatory overload could weaken our cybersecurity**” published in **Livemint** on **10th May 22**.

**Syllabus:** GS3 – Information Technology

**Relevance:** Cybersecurity and related issues

**Context:** Most countries have comprehensive rules setting out the various steps that companies must follow from the moment they learn of a breach. These rules are designed to mitigate the privacy harms from a breach of personal data.

But, there is an absence of a full-fledged privacy law in India.

#### What is CERT-In?

In 2013, the Indian Computer Emergency Response Team (CERT-In) was established under **rules issued under the Information Technology Act, 2000**, to serve as a “trusted referral agency” that users could turn to in the event of a cyberattack.

The role of CERT-In was to provide **technical assistance in the event of a breach**, and as such it had no mandate to assess the privacy implications of such breaches.

What are the rules wrt reporting of cybersecurity incidents in India?



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The 2013 Rules, issued under the IT Act 2000, largely **left it up to individual users to decide whether or not they wanted to report a cybersecurity incident** to CERT-In. However, in an annex at the end, it listed **ten types of incidents** that mandatorily had to be reported.

- Most incidents described in the annex had to do with attacks on critical infrastructure: the SCADA systems central to our national energy grid, the DNS servers that route internet traffic, and other such systems.
- However, the annex also required relatively benign incidents—“unauthorised access to IT systems/ data”, “defacement of websites” and “spoofing and phishing attacks”—to be reported to CERT-In.

Recently, the ministry of electronics and information technology (MeitY) extended the 2013 Rules by **issuing a new set of Directions under the Information Technology Act, 2000**. The new directions considerably **expanded the list of mandatorily reportable incidents**, doubling it to 20.

- It introduced new reporting requirements in relation to attacks on Internet-of-Things devices, unauthorized access to social media accounts, and for suspicious activities that could affect systems relating to big data, blockchain, virtual assets, robotics, 3D and 4D printing etc.
- Companies are now **required to report cyber incidents to CERT-In within six hours** of becoming aware of them, and in a form that has to be downloaded from the CERT-In website as a non-editable PDF. Firms are required to maintain (within the territory of India), logs of their ICT systems for a period of 180 days and ensure that their system clocks are synchronized with Network Time Protocol Servers of either the National Informatics Centre or the National Physical Laboratory. It even presumes to regulate virtual asset service providers, requiring them to maintain KYC information and records of their financial transactions for a period of five years.

Issues associated with the rules

**Excessive burden on CERT-In:** Requiring users to mandatorily report all such incidents, like — every phishing attempt, every attempt to gain unauthorized access to a computer —is excessive. It places an onerous **reporting burden on companies** that is unwarranted, considering that their IT departments are eminently capable of dealing with them. More importantly, it risks so thoroughly **inundating CERT-In with trivial incidents** that the agency may be left incapable of responding to serious incidents when they actually occur.

Classification of all “suspicious activity” relating to drones, blockchain and artificial intelligence as cybersecurity incidents under the new reporting requirements by MEITY, regardless of their likely consequences, does **seems excessive**.



### **INFLATION AND RELATED ISSUES**

#### 18. [An inflation focus that neglects growth could lead to stagflation](#)

**Source:** The post is based on an article “**An inflation focus that neglects growth could lead to stagflation**” published in the **Live Mint** on **12th May 2022**.

**Syllabus:** GS3 – Indian Economy, Issues and Challenges in growth and development

**Relevance:** Macroeconomic Policy, Fiscal Policy and Monetary Policy

**News:** Recently, the International Monetary Fund published statistics on **actual inflation rates** and **growth rates** in the world in economy group-wise which also include corresponding figures for India, for the period 2015-2019, 2020, 2021 and projections for 2022.

#### **What are the findings?**

The global economy is confronted with a daunting prospect, as **accelerating inflation** and **decelerating growth**.

In **advanced economies**, consumer price inflation which was a mere 1% per annum during 2015-20 is projected to reach about 6% in 2022. These projected inflation levels in rich countries, for 2022, are unprecedented and have not been witnessed since the **oil crises** of the 1970s fifty years ago.

In **developing economies**, where consumer price inflation was on average 5% per annum during 2015-2020 is projected to reach about 9% in 2022. For Latin America, Sub-Saharan Africa, and Middle East & Central Asia, the inflation reached double-digit levels in 2021 (Except Asia where inflation is moderate).

In **Developing Europe** (non-EU transition economies), the corresponding rates are 10% and 27% per annum for 2021 and 2022.

#### **What are the factors underlying inflation?**

After the **financial crisis of 2008**, the global growth had not returned to its boom levels seen until 2008. The recovery was slow and uneven. There was a **sharp contraction** in output and **employment** everywhere during the pandemic period.

In response to covid-19 pandemic and associated lockdown during **2020-2021**, most central banks adopted **easy monetary policies** while governments adopted **expansionary fiscal policies**. Thereafter, significant proportions of cheap money went into **financial assets**. This led to **stock market booms** while there was **an economic slump**. This led to **crashing prices** of primary commodities.

The **Russia-Ukraine war** has accentuated inflation. This has led to contraction in world supplies of fuels (oil and gas from Russia) and food (wheat from Ukraine), while the sanctions and the war disrupted supply chains.

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In addition, there is a **sharp slowdown** in growth worldwide. The slowdown is being experienced by **advanced economies**, and the **developing economies**.

The consequences of such high inflation and dampened growth are bound to be hurt poorer people and countries far more

### What are the macroeconomic policy responses worldwide?

In response to high inflation, the **orthodox macroeconomic policies** (monetary policy and fiscal policy) are being adopted across the world. The worldwide central banks are **hiking interest rates** while the governments are working upon the **fiscal consolidation** to restrain and manage inflation.

### What are the issues in the adopted macroeconomic policies?

The **contractionary macroeconomic policies** might accentuate rather than solve the problem of inflation. This is because the present inflation is driven by **supply-demand imbalances**, particularly in fuels and food. The imbalances have been caused by war-induced disruptions.

The raising of interest rates will not curb such **supply-side inflation**. This might stifle growth further. The higher interest rates will **dampen investment** while **fiscal consolidation** will **squeeze consumption expenditure**, which are the main sources of **aggregate domestic demand**.

If the government policies do not strike a balance between **managing inflation** and **stimulating growth**, it would lead to **stagflation**.

### Way Forward

**Monetary policy** should be used for **stimulating investment**, while **fiscal policy** should be used for **stimulating consumption expenditure** to revive growth.

The well-being of people should be the primary concern of governments. Further, the well-being of people and economic progress of countries requires stability with growth. Therefore, **price stability** and **economic growth** must not be posed as an either-or choice.

### 19. [Explained: What's causing high inflation and where?](#)

**Source:** This post is based on the article “**Explained: What's causing high inflation and where?**” published in **The Indian Express** on **13th May 22**.

**Syllabus:** GS3 – Indian Economy – Monetary policy

**Relevance:** Inflation and related issues

**News:** India's retail inflation rose by 7.79% in April, according to the latest data released by the Ministry of Statistics and Programme Implementation.

Inflation in food items rose by even higher — 8.38% in April — according to the MoSPI's Consumer Food Price Index.

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However, the biggest jump was registered in fuel prices, which rose by almost 11 per cent in April. This is a **direct impact of the higher crude oil prices** being passed through to the consumers in the wake of the war in Ukraine.

[What is retail inflation and why it's significant?](#)

Retail inflation essentially refers to the rate at which the general price level went up in a particular month (April in the current instance) over what it was in the same month a year ago.

- The change is expressed as a percentage.

Retail inflation also refers to the **prices faced by consumers**, and not the ones prevailing in the wholesale market.

**Significance:** The retail inflation level is the most important measure of inflation in India because **it is this inflation rate that India's central Bank, the RBI, targets to maintain price stability**. According to the law, the RBI is supposed to keep overall retail inflation between 2% and 6%.

However, since the start of 2022, retail inflation has been **trending above the 6% mark** and there is a good chance that it may stay above the 6% mark for the first 9 months of the year. If that happens, the RBI will have to explain the slippage to the Parliament.

### [20. The good side of inflation: Accelerating prices make govt debt management easier. Higher food prices mean bigger farmer income](#)

**Source:** This post is based on the article "**The good side of inflation**" published in **The Times of India** on **11th May 22**.

**Syllabus:** GS3 – Monetary policy

**Relevance:** Inflation and related issues

**Context:** Some positive effects of inflation.

[How is inflation beneficial in some respects?](#)

**A higher inflation (consumer price index or wholesale price index) helps in the lowering of the estimated fiscal deficit.** The fiscal deficit, is calculated as a percentage of the nominal GDP. The nominal GDP because of the way it is calculated on current prices includes the inflation component. To estimate the real rate of GDP growth, statisticians net out inflation using a GDP deflator, a weighted average of CPI and WPI. A higher inflation would therefore shrink the deficit just as a higher subsidy reduces the nominal GDP.

– This is how India managed to maintain an elevated level of fiscal deficit (including off-budget public spends like oil subsidies) for 5-6 years post the Global Financial Crisis, without blowing out on debt to-GDP ratios. It was made possible because of high single-digit, near double-digit inflation for most of that period.

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**Partial reversal of Terms of Trade in agriculture:** A somewhat less straightforward, but perhaps more high-impact consequence of inflation is a partial reversal of the terms of trade (ToT) in agriculture. It's well-known that ToT in farming has been on a decline in India.

*The phrase 'terms of trade' for agriculture broadly refers to the gap between the price paid for inputs used in growing agricultural crops, and the prices received from the sale of those crops.*

Even when the retail inflation went up, the farmgate prices lagged behind, but this trend has been reversed now. A synchronised inflation in the last one year – substantial increase in MSP last year and a global uptick in food prices as a result of the war in Ukraine – means. Farmgate food price inflation is trending significantly above retail price inflation.

The price increases are not restricted to cereals like wheat. Milk, cotton, edible oils – the anecdotal evidence of higher farmgate prices is adding up. Perhaps it's temporary, but ToT is shifting just a tad bit in favour of the farmer due to the current inflationary spell. In other words, it's an **income transfer from urban India to the farmers.**

### Way forward

In short, inflation is a policy paradox. Policymakers need to find a balance, rather than condemning inflation as an unmitigated evil that it is projected to be in popular discourse.

### 21. Control inflation by acting on liquidity

**Source:** This post is created based on the article "Control inflation by acting on liquidity" published in The Hindu on 11<sup>th</sup> May 2022.

**Syllabus:** GS Paper 3- Indian Economy – Growth and development

**News:** Inflation has assumed a menacing proportion in almost all countries.

Consumer price index (CPI) inflation in India stood (in March 2022) at 6.95%. It is expected to rise further in April. On the other hand, the Wholesale Price Index (WPI) inflation had remained in double digits since April 2021.

It is not the case solely with India, the situation is the worst in the United States where the consumer price inflation stood (in March 2022) at 8.56%

### **Monetary and fiscal policy approach adopted after pandemic**

After the advent of COVID-19, the major concern of policymakers all over the world was to revive demand. Government's tried to increase demand by raising government expenditure. However, it didn't happen due to supply constraints that came from a non-mobility of factors of production. But it is the right approach, the increase in output could happen with a lag and also with the relaxation of restrictions.

The focus of monetary policy in India also has been to keep the interest rate low and increase the availability of liquidity through various channels.

The Government's borrowing programme also went through smoothly, due to abundant liquidity.

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### **Changing Policy measures due to inflation**

Although the monetary policy is still accommodative, the focus is back on the gradual withdrawal of accommodation, to ease inflationary pressure.

### **What should be done?**

Many experts are of the belief that present inflation is cost-push inflation that occurred due to rising crude oil prices and the Russia-Ukraine war.

Thus, some part of the increase in crude prices and food prices can be absorbed by the government.

However, an abundance of liquidity has also been an important factor. Thus, action on liquidity is very much needed, with a concomitant rise in the interest rate on deposits and loans.

### **VALUE OF CURRENCY AND RELATED ISSUES**

#### **22. Explained: Making sense of exchange rate**

**Source:** This post is created based on the article “Explained: Making sense of exchange rate” published in Indian Express on 11<sup>th</sup> May 2022.

**Syllabus:** GS Paper 3- Indian Economy – Money and Banking

**News:** Indian rupee hit an all-time low exchange rate of 77.6 against the US dollar.

### **What is the exchange rate?**

The exchange rate tells us how much of a currency (e.g. Rupee) is required to purchase one unit of another currency (e.g. Dollar). For example, if the rupee’s exchange rate “falls”, it implies that buying American goods would become costlier.

### **How an exchange rate is determined?**

In a free market, the exchange rate is determined by the supply and demand for currencies, i.e. rupees and dollars. For example, in case Indians demand more dollars in comparison to the demand of rupees in America, the value of rupees will depreciate.

Other than the market forces, central banks (RBI, in the case of India) also play a role in determining the exchange rate.

### **What are the factors determining the supply and demand of currency?**

Balance of Payment determines how many rupees was demanded by the rest of the world and how much foreign currency was demanded by Indians. The BoP is divided into— current, capital, and financial accounts.

- The current account is used to mark the inflow and outflow of goods and services into a country.
- The capital account is where all international capital transfers in assets are recorded.
- In the financial account, international monetary flows related to investment in the business, real estate, bonds, and stocks are documented.



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The following 2 scenarios will clear the Rupee's exchange rate fluctuations

**First**, India imports 80% of its oil. In case the demand or price of oil goes up, India will need more dollars to buy crude oil in the international market. On the other hand, the demand for Indian rupees has not increased. This would weaken the Indian Rupee exchange rate due to the increasing trade deficit.

**Second**, if the US central bank raises its interest rates, Global investors would start investing their money in the US, instead of India. Again, the rupee would weaken. Such a transaction would be recorded in the Capital Account.

### **What is RBI's role in exchange rate determination?**

RBI plays a very important role in exchange rate determination. It controls the drastic fluctuations in Rupee's exchange rate. For that, RBI can take various measures:

In case of a drastic fall in Rupee value, RBI sells some of the dollars from its forex reserves. This is why the RBI's forex reserves have gone down sharply since the war in Ukraine started in February.

In case of a drastic rise in Rupee value, the RBI buys excess amount of dollars (by paying rupees in the market) and adds it to its forex reserves.

GS3 – INDIAN ECONOMY - GST AND RELATED ISSUES

### **GST AND RELATED ISSUES**

#### 23. **Heading for GSTExit**

**Source:** The post is based on an article “**Heading for GSTExit**” published in the **Indian Express** on **12th May 2022**.

**Syllabus:** GS2 Issues and challenges in the federal structure

**Relevance:** GST Regime

**News:** Recently, Britain witnessed Brexit because loss of some sovereign freedom in return of the economic gains of a common European market was capitalised. India may also see the “**GSTExit**” if the trust and faith between the centre and the state is not revived in the **Union-states relationship**.

#### **Importance of GST**

The GST untangled **disparate taxation structures** across various states, reduced transportation costs and created a **unified market** that would boost economic growth and yield buoyant tax revenues for everyone to share.

#### **Issues**

The **2015 GST report** proclaimed that the GST would help in “**making one India**” through **centralised GST** by curtailing states' fiscal powers. However, the GST could pave the path for



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the **over-arching centralisation project**. For example, one nation, one language”, “one nation, one religion”, “one nation, one election” etc. This seems to be **anti-federalist** and **anti-pluralistic ideas** of “**one India**”.

Five years after GST, Tax buoyancy has actually declined. The GST has led to fight between the Union and state governments during Covid-19.

The GST induced **fiscal federalism problem** has entered into other domains like the union and state governors fighting over Hindi impositions, NEET exam etc.

The GST has ruptured **India’s larger federal structure** and destroyed trust between the Union government and states.

### **What are the issues in the GST Regime?**

After the introduction of **the Goods and Services Tax (GST) in 2017**, state governments lost their independent taxation powers. However, state had **fiscal independence** in liquor and fuel as both were exempted from the GST.

The **share** of both items in **revenue generation** have increased since the GST. Earlier, Both accounted for over 1/3rd of **states’ own tax revenues**. However, the **alcohol’s share** in overall state taxes has increased by 50% from the pre-GST years. In addition, Both the Union and state governments levy **high fuel taxes** to generate revenues as they do not have to seek **permission** of each other

The state governments kept **liquor shops** open during Covid-19 lockdowns to compensate for the **loss of revenue** because they had no other independent means to raise resources.

This GST framework and the **fiscal independence** in the fuel and alcohol domain is punishing the common Indian. For example, India has the highest fuel tax rates in the world.

The GST relies upon the foundation of “**compensation guarantee**” based on which states surrendered their fiscal powers in return for **guaranteed revenues**. This foundation is going to end and the trust deficit would plague GST.

### **Way Forward**

The technical approach to the problem of states’ **growing reliance** on **liquor** and **fuel taxes** is by bringing these sin goods within the GST ambit is not the solution. The root cause lies not in economics but in **politics**.

Fixing GST requires a fundamental reset of the **Union-states relationship**. It requires a state of mutual trust and respect. Both governments should uphold the value of **cooperative federalism** by extending it to ethics.

India has a lot of economic, social and political diversity. Therefore, the GST was always going to be a tough proposition.

The **revenue guarantee agreements** between the Union and states are necessary but not sufficient to make GST tenable.

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The central government should deftly **balance all stakeholders** and win back their confidence instead of just bringing alcohol and fuel within the GST ambit. This would further constrain the fiscal sovereignty of states.

GS3 – ENVIRONMENT – CLIMATE CHANGE

### **TRANSITION TOWARDS CLEAN ENERGY**

#### 24. **'Climate justice is an absolute must for effective climate adaptations, globally and within nations'**

**Source:** The post is based on an article **"Climate justice is an absolute must for effective climate adaptations, globally and within nations"** published in **The Times of India** on **14<sup>th</sup> May 2022**.

**Syllabus:** GS 3 Environment and Ecology

**Relevance:** Climate Change Adaptations, Climate Justice

**News:** There is an ongoing debate on *climate justice, subsistence emissions, etc. which are vital and inevitable for effective climate change adaptations.*

#### **Why is climate change taking place?**

Climate change happens largely due to the **emissions of carbon dioxide**, which lasts over 150 to 170 years in the atmosphere.

Therefore, the **greenhouse gases** which were emitted a **century** and a **half ago** still exist in Earth's **atmosphere** today and are forcing changes in temperatures.

#### **What is 'climate justice'?**

**Many countries have a natural debt of historical emissions. They burnt fossil fuels to spur their economic growth in the past.**

The **UNFCCC** acknowledged the same and embraced the **principle of climate justice**. For example, the rich nations would reduce emissions while the poor could develop with access to money and technology for clean growth.

At present, it can be defined by a framework for climate justice developed by **the Centre for Science and Environment (CSE)**. The framework argues for **per capita emissions entitlements** for attaining **climate justice**.

#### **Is the idea of climate justice too relevant within nations?**

The principle of climate justice also applies within a country. For example, there are **well-off people** or rich classes of people who overuse their own share of the **ecological space**. Therefore, the poor do not get their due share of ecological space.

#### **What are the issues at present?**

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Even today, several countries scramble for more fossil fuels. It is evident in the Ukraine Crisis. In fact, the developing countries will also emit and add to greenhouse gas emissions for their development.

The rich world has mostly undermined the **principles of climate justice**. For example, the **Paris pact 2015** has shed the term '**historical emissions**' and **dropped** the responsibility of the developed world to take on emission reductions.

The world doesn't have a global agreement based on **fair climate shares** in the world. This is in fact not talked about in **an intra-country context**.

**Climate justice** has been the most **divisive issue** in the global environmental community. The issue has not been highlighted in the **Western media**, despite their huge reporting of the climate crisis. In fact, 70% of the world also needs to grow.

### Way Forward

The world should move forward based on **each person's fair share** of atmospheric space. Climate Justice should be classed with **human rights**.

**Climate justice** should be made **a bedrock** of climate action. We can't have effective agreements, accompanied by financial transfers, technology sharing, and measures to enable countries to grow economically without pollution.

The acknowledgment of climate justice is essential for **climate adaptation** and making international agreements truly effective.

We all need to live within our fair share of nature. The world should shift from **luxury emissions** to **subsistence emissions**.