NEWS ITEMS ON CAG/ AUDIT REPORTS

1. Why are CBI, ED not interested in CAG reports on corruption: Pawan Khera *(business-standard.com)* April 15, 2024

Khera claimed CAG reports contained "serious allegations" of irregularities in infrastructure works like the Bharatmala Pariyojana, the Dwarka Expressway

Congress leader Pawan Khera on Monday questioned probe agencies for not looking into CAG reports that he claimed had made allegations of corruption against the Union government.

Addressing a press conference here, Khera, the Congress' national spokesperson, claimed CAG reports contained "serious allegations" of irregularities in infrastructure works like the Bharatmala Pariyojana, the Dwarka Expressway, all of which are part of the Union ministry of road transport and highways headed by Nitin Gadkari. Gadkari is the Bharatiya Janata Party's Lok Sabha candidate from Nagpur. He won the seat with huge margins in 2014 and 2019.

Khera alleged the ministry had issued bonds worth Rs1 lakh crore without approval of the Cabinet Committee on Economic Affairs. He also claimed the National Highway Authority of India, which functions under the Union Ministry of Road Transport and Highways, had taken huge loans "without application of mind", while its cost of construction had doubled.

"Where is the CBI and ED now? Have they issued notices over these? During Congress rule, agitations were held nationwide over allegations in CAG reports," Khera pointed out. The Congress leader said the country was going through an important and decisive phase and claimed there was a "question mark on whether the Constitution would survive or not".

Many BJP leaders are making statements that the party would change the Constitution if it gets 400 seats in the 2024 Lok Sabha polls, Khera further claimed. Slamming the BJP's manifesto, Khera said people no longer believe what the ruling party proclaims or promises. The people are reminded of the government's corruption when the electoral bonds scheme is discussed, Khera said.

He also questioned the source of funds in the construction of "big offices" by the BJP and outfits affiliated to it. "Change is important after 10 years and the Congress has come to the people with a positive agenda. The entire nation understands the five 'nyay' (justice) guarantees that Congress president Mallikarjun Kharge and Rahul Gandhi are talking about," Khera said. https://www.business-standard.com/politics/why-are-cbi-ed-not-interested-in-cag-reports-on-corruption-pawan-khera-124041500792_1.html

2.   Why are CBI, ED not interested in CAG reports that cite corruption in govt projects, asks Khera *(theprint.in, nationalheraldindia.com)* 15 April, 2024

Congress leader Pawan Khera on Monday questioned probe agencies for not looking into CAG reports that he claimed had made allegations of corruption against the Union government.

Addressing a press conference here, Khera, the Congress' national spokesperson, claimed CAG reports contained "serious allegations" of irregularities in infrastructure works like the Bharatmala Pariyojana, the Dwarka Expressway, all of which are part of the Union ministry of road transport and highways headed by Nitin Gadkari.

Gadkari is the Bharatiya Janata Party's Lok Sabha candidate from Nagpur. He won the seat with huge margins in 2014 and 2019.

Khera alleged the ministry had issued bonds worth Rs1 lakh crore without approval of the Cabinet Committee on Economic Affairs.

He also claimed the National Highway Authority of India, which functions under the Union Ministry of Road Transport and Highways, had taken huge loans "without application of mind", while its cost of construction had doubled.

"Where is the CBI and ED now? Have they issued notices over these? During Congress rule, agitations were held nationwide over allegations in CAG reports," Khera pointed out.

The Congress leader said the country was going through an important and decisive phase and claimed there was a "question mark on whether the Constitution would survive or not".

Many BJP leaders are making statements that the party would change the Constitution if it gets 400 seats in the 2024 Lok Sabha polls, Khera further claimed.

Slamming the BJP's manifesto, Khera said people no longer believe what the ruling party proclaims or promises.

The people are reminded of the government's corruption when the electoral bonds scheme is discussed, Khera said.

He also questioned the source of funds in the construction of "big offices" by the BJP and outfits affiliated to it.

"Change is important after 10 years and the Congress has come to the people with a positive agenda. The entire nation understands the five 'nyay' (justice) guarantees that Congress president Mallikarjun Kharge and Rahul Gandhi are talking about," Khera said.   https://theprint.in/india/why-are-cbi-ed-not-interested-in-cag-reports-that-cite-corruption-in-govt-projects-asks-khera/2042039/

3.   Khera alleges graft in central infra projects
(timesofindia.indiatimes.com) April 16, 2024

Nagpur: Congress leader Pawan Khera on Monday questioned the probe agencies for not looking into CAG reports that he claimed had reported corruption against the Union government. At a press meet in Nagpur, Khera, the Congress' spokesperson, said CAG reports contained 'serious allegations' of irregularities in infrastructure works for some projects undertaken by Union ministry of road transport and highways.

Khera said the ministry issued bonds worth Rs1 lakh crore without Cabinet Committee on Economic Affairs' nod. https://timesofindia.indiatimes.com/city/nagpur/khera-alleges-graft-in-central-infra-projects/articleshow/109327939.cms

STATES NEWS ITEMS

4.   Land sharks lying in wait to gobble God's lands
(indiaherald.com) April 16, 2024

Here is a perfect example of how, within a month or two following the Endowments Commissioner's meeting with higher authorities emphasizing the need to conserve the temple grounds, the State Endowments Department failed to live up to the expectations set forth. The Veerabhadra Swamy temple in Chintalmet is the most recent in the long history of temples in Hyderabad's Old City grabbing land.

The temple features caverns with a large backyard and foreyard, and it is bordered by a rocky terrain with hillocks. As per the accounts of the devotees that frequent the temple, it is believed to be around 400 years old. But land grabbers have taken advantage of the abandoned temple that few Hindu worshippers ever visit. bjp lawmaker yamuna Pathak claimed in an interview with india Herald that buildings had been built on a significant portion of the temple's backyard and flanks. Currently, there are attempts to create an entrance path into the temple's foreyard. "Once this happens there will be no way for the devotees to enter the temple, and the entry will be permanently closed," she said.

Additionally, it is said that anyone attempting to defend the temple and its grounds is summoned to the local police station and told not to meddle. Nonetheless, a few followers still make sure that the daily rites are carried out. "There is no help either from the government officials or from the local police to protect the premises," asserted the believers. Here is the appropriate moment to bring out the questionable distinction that the State Endowments Department gets poor credibility ratings in the reports from the Comptroller and Auditor General (CAG).

The department still maintains its credibility ratings from the period when andhra pradesh was unified, despite the CAG's frequent finds of faults. For instance, each landowner is required to possess a Pattadar Passbook (PPB) issued by the Revenue Department by the Rights in Land and Pattadar Passbooks Act, 1971. One of the key records for unambiguous land titles is the PPB. It is the responsibility of the Assistant Commissioner of the Endowments department, whose authority the temple falls under, to make sure that all title deeds are accessible and corroborated by Revenue records.

But as of march 2018, the total land holdings of the telangana State's registered temples were 39 guntas and 87,235 acres, before the creation of the dharani site. Only around 21,339 acres of PPBs were accessible out of all of this. For the remaining acres of Endowments land or around 75%, the Endowments Commissioner has not received PPBs. The percentage of PPBs that the CAG discovered to be absent ranged from 7% to 100%. Despite possessing the land, the responsible Executive Officers did not take any steps to secure the PPBs. https://www.indiaherald.com/Breaking/Read/994698930/Telangana-Hyderabad-Land-sharks-lying-in-wait-to-gobble-up-Gods-lands#google_vignette

SELECTED NEWS ITEMS/ARTICLES FOR READING

5.   Subbarao: India's third-largest economy status not cause for celebration *(thehindubusinessline.com)* Updated: April 16, 2024

Despite economic growth, India's large population keeps it relatively poor, with a per capita income of USD 2,600, ranking 139th globally

Even after becoming the third largest economy in the world by 2029 as envisaged by Prime Minister Narendra Modi, India may still be a poor country and therefore there is no reason for celebration, former Reserve Bank Governor D Subbarao said here on Monday.

Addressing a gathering at a book launch programme, Subbarao also said, citing Saudi Arabia, that becoming a rich country does not necessarily mean becoming a developed nation.

Recalling PM Modi saying that if he returns to office, India will become the third-largest economy before 2029 -- before the end of his third term, he said many economists predict that the country would become the third largest after the US and China, much sooner.

Read: Subbarao's memoir exposes government pressure on RBI for rosier growth narrative

"In my view, that is possible (India becoming the third-largest economy), but it's not a celebration. Why? We are a large economy because we are 1.40 billion people. And people are a factor of production. So we are a large economy because we have people. But we are still a poor country," Subbarao said, adding that India is now the fifth largest economy in the world, with the figure standing at USD 4 trillion.

With a per capita income of USD 2,600, India is in the 139th position in the league of Nations in terms of per capita income. And the poorest among BRICS and G-20 nations, he further pointed out.

So the agenda for moving forward is quite clear. Accelerate the growth rate and ensure that the benefits are going to be shared, he said.

Subbarao also recalled that the Prime Minister said that India must become a developed country by 2047.

According to Subbarao, in order to become a developed nation, four essential ingredients -- rule of law, strong state, accountability and independent institutions -- are required. https://www.thehindubusinessline.com/economy/subbarao-indias-third-largest-economy-status-not-cause-for-celebration/article68070794.ece

6.   Hardened shelters, radars, defence systems & more — IAF quietly upgrades bases focused on China *(theprint.in)* 15 April, 2024

New infra projects involve not just repair work of runways and creation of additional taxi ways to enable better tempo of operations, but also storage of spare parts and munitions.

The Indian Air Force (IAF) in the last four years has been slowly, away from spotlight, upgrading its infrastructure facilities in at least 20 air bases focused on China-centric operations or on having a dual area of operation, ThePrint has learnt.

These upgrades include not just construction of new underground munition centres, hardened aircraft shelters and taxiways but also upgradation of navigational aids, besides setting up of new radars and base defence systems.

Sources in the defence and security establishment told ThePrint that while the plans were already in motion, the military tensions with China since 2020 has led to a more faster and focussed approach.

They explained that even as the tensions with China was just beginning in May 2020, the defence ministry had signed a Rs 1,200 crore contract with Tata Power SED (TPSED) for Modernisation of Air Field Infrastructure (MAFI) of 37 airfields for IAF, Indian Navy and Indian Coast Guard.

This was a follow-on programme to MAFI Phase 1 that included upgradation of 30 airfields of IAF. The project included installation and commissioning of modern airfield equipment like Cat-II Instrument Landing System (ILS) and Cat II Air Field Lightning System (AFLS) among others, which were directly connected to Air Traffic Control (ATC).

Asked about specifics of the other programmes that have been initiated with a focus on China, sources said there has been an increase of infrastructure projects.

"These infrastructure projects were always on cards, and work was initiated on some of these airfields prior to the stand-off with China. But yes, the work has been sped up and more initiated," a source said.

A second source pointed out that the work involved not just repair of runways and creation of additional taxi ways to enable better tempo of operations, the stand-off has led to increased need for storage of spare parts and munitions.

"Across air bases, the focus is to have hardened underground munition centres. It is not just the IAF that is making them, but also the Army, especially in the Eastern sector," the second source said.

Popular satellite imagery expert Damien Symon, who goes by his X handle _Detresfa, Monday put out images of the Chabua air base from March 2020 and March 2024 to show the work that has been done.

The difference being that a new large apron (area where aircraft are parked, unloaded or loaded, refueled, boarded, or maintained) has been made at the base which houses the Su-30 MKI fighter jets, besides hardened aircraft shelters and other such developments.

Talking about other upgrades, the sources explained that new radars have been set up at some bases close to the Line of Actual Control (LAC), besides increase in defensive capabilities.

The sources explained that one of the reasons for new infrastructure building is also to cater to drones operations.

"The Army has created integrated aviation Brigades which have seen a larger concentration of drones and helicopters in specific areas. They are based at IAF bases, which also cater to IAF's own set of drones. Naturally more infrastructure is being created to cater to the increased demand," a third source said.

Last year, ThePrint had reported that the IAF remains in "operational ready format" along the LAC, even three years after the Galwan clash.

 The "operational ready format" refers to fighter aircraft being deployed close to the LAC fully loaded so that they can be airborne in five-seven minutes in case of an operational need. For the uninitiated, an aircraft is said to be fully loaded when it is fueled and live munitions are on board. https://theprint.in/defence/hardened-shelters-radars-defence-systems-more-iaf-quitely-upgrades-bases-focused-on-china/2041558/

7.   Coal keeps powering India as booming economy crushes green hopes *(thehindubusinessline.com)* Updated: April 16, 2024

Aging boilers guzzle coal from mines nearly 2,000 kilometers away — a transport distance that only adds to the nation's emissions footprint

Built along a stretch of salt flats in southern India, the Tuticorin power plant epitomises a quagmire for the world's fastest-growing major economy: how to provide reliable energy to 1.4 billion people.

For starters, the 1,050-megawatt coal plant, one of the region's largest, was supposed to shut down. Opened four decades ago, the facility is too cramped to install retrofits to meet the government's pollution norms, prompting India's Power Ministry to plan its closure by 2022. Yet the facility continues to run at full blast, clocking 90 per cent

utilisation in February. Aging boilers guzzle coal from mines nearly 2,000 kilometers away — a transport distance that only adds to the nation's emissions footprint.

Electricity consumption in India is growing at the fastest rate of any major economy, driven by rising temperatures and incomes, which have pushed up sales of power-intensive appliances like air conditioners. That explosive equation has exposed the country's teetering grid. Though Prime Minister Narendra Modi has promised to rapidly build out solar and wind generation to replace polluting fossil fuels, his administration hasn't been able to keep up with demand, giving a second life to old, inefficient coal plants like the one in Tuticorin.

In recent months, Modi has green-lit a fresh wave of power station development and extended the lifespan of many existing coal assets. It's a decision that puts India at odds with global allies who are shunning the fuel on climate grounds, threatening Modi's ambitions to curb air pollution and reduce the world's third-largest share of greenhouse gas emissions.

Those dynamics will also hand the nation a crucial role in dictating the speed of the world's retreat from coal. Demand in China, currently the top consumer, probably peaked last year and the rate of future growth will increasingly be driven by India and Southeast Asia's rising economies, according to the International Energy Agency.

"The message is clear to both the international and domestic audiences: We're all in for climate actions, but India's domestic interests will take priority," said Ashwini K. Swain, a fellow at Sustainable Futures Collaborative, a climate think tank in New Delhi.

India's Power Ministry and Tamil Nadu Generation and Distribution Corp., which runs the Tuticorin coal plant, didn't respond to requests for comment.

India has a long way to go to ensure reliable and affordable electricity. In Oct. 2021, the country was hit by a massive coal and power crisis, just as the economy began to emerge from the Covid-19 pandemic. Years of weak demand had led to sluggish growth in mining, transportation and power generation capacities.

Soon after the situation improved, officials realised the crisis wasn't a blip. Energy demand rose to a new high the following summer, causing the worst supply shortages in eight years. In 2023, even though that squeeze eased at the national level, Maharashtra, one of India's most industrialised states and home to its financial capital Mumbai, faced an alarming 10 per cent peak deficit in August.

While shortages raised expectations that the country would accelerate the shift to green energy, India's response was exactly the opposite. Officials pushed for more mining, abandoned plans to retire old power plants, raised targets to add coal-fired electricity and successfully lobbied international forums to adopt resolutions that wouldn't hinder fossil fuel use.

"As a country, we should play to our strength, and coal is our strength," said Prakash Tiwari, a former operations director at state-run NTPC Ltd., the nation's largest power producer.

Alternative energy solutions haven't yet caught on for financial, political and safety reasons.

More than 35 miles from Tuticorin, a dusty road leads to two solar power plants surrounded by sprawling wind parks. Ayana Renewable Power, which runs one of the facilities, sees a future in renewable power with energy storage to serve industrial users. That trend is rising in India, although far from becoming a source of mass power supplies. Solar accounted for 6 per cent of generation in 2023, according to Bloomberg calculations based on Power Ministry data.

State-run power producer NLC India Ltd., which runs the other plant, is committing more than twice as much money to expanding mining, coal and lignite-fired power capacity than to building renewables, according to Chairman M. Prasanna Kumar.

Natural gas, pushed by producers as a less-polluting alternative to coal, has also struggled to compete. Nearly 25 gigawatts of gas-fired power capacity has been idling for years, priced out by other power sources, including coal. India doesn't have enough domestically produced subsidised fuel to run the plants and operating these assets on imported liquefied natural gas is often too costly in India's price-competitive electricity market.

Building hydropower dams is also fraught. Most of India's potential there is locked in the fragile Himalayan region, where frequent extreme weather events, such as flash floods, jeopardise projects. The risks have galvanised local opposition against large dams, delaying plans by years and adding to costs that have rendered many of them unpalatable.

Nuclear power has seen a revival in many parts of the world for its low-emissions energy. But there, too, the industry in India has moved too slowly to make a mark and questions about safety persist. The nation's nuclear liability law holds vendors and suppliers responsible for accidents. Many are still haunted by the Bhopal gas tragedy of 1984, which killed thousands of people exposed to toxic chemicals.

Consider Kudankulam, about 90 miles south of Tuticorin. The site hosts two reactors of 1 gigawatt each and four more are being added. In the nearby village of Idinthakarai, 52-year-old Mildred, who goes by one name, has been at the forefront of protesting the plant's construction. She's travelled across the country to discuss the risks of nuclear energy.

"Why can't these be our main source of energy?" the activist asked on a recent day, pointing to a few rotating wind turbines near her home.

In 2008, India struck an agreement with the US to share nuclear technology and fuel, clearing the runway for new projects. India has also signed deals with foreign reactor suppliers, including General Electric-Hitachi, Westinghouse Electric Corp. and Areva SA, which later transferred the project to state-run peer Electricite de France SA. GE-Hitachi has since backed out, citing the liability law.

In the western state of Maharashtra, India had planned to build the world's largest nuclear power plant, a mammoth 9.6 gigawatts facility near sprawling Alphonso mango orchards.

But locals resisted selling their land when Kiran Dixit, then an executive director of the state monopoly Nuclear Power Corp. of India Ltd., visited the area.

They thought prices were too low and worried that the plan would harm the livelihood of fishermen and the mango trees. The company tried to put those fears to rest and the land was eventually acquired, Dixit said. Still, the Jaitapur project has yet to significantly break ground as the two sides continue to discuss terms of the deal. https://www.thehindubusinessline.com/economy/coal-keeps-powering-india-as-booming-economy-crushes-green-hopes/article68070674.ece

8. Climate spending may make emerging nations with high debt insolvent: Report *(business-standard.com)* Updated: Apr 15 2024

A further 19 developing countries lack the liquidity to meet the spending targets without help, though they would not approach default thresholds

The Report Called For An Overhaul Of The Global Financial Architecture, Alongside Debt Forgiveness For The Most At-Risk Countries And An Increase In Affordable Finance And Credit Enhancements.

Emerging countries will pay a record $400 billion to service external debt this year, and 47 of them cannot spend the money they need for climate adaptation and sustainable development without risking default in the next five years, according to a report released on the eve of IMF/World Bank spring meetings.

The report from the Debt Relief for Green and Inclusive Recovery Project (DRGR) found that the 47 developing countries would hit external debt insolvency thresholds, as defined by the International Monetary Fund (IMF), in the next five years if they invested the necessary amounts to hit 2030 Agenda and Paris Agreement goals.

"They would be in such high debt distress that they would be knocking on the door of (default), given the current debt environment, if they were going to try to mobilize that kind of financing," said Kevin Gallagher, director of Boston University's Global Development Policy Center, which led the project.

Many of the at-risk countries are in Africa, including Senegal, Nigeria and Kenya.

A further 19 developing countries lack the liquidity to meet the spending targets without help, though they would not approach default thresholds.

The report called for an overhaul of the global financial architecture, alongside debt forgiveness for the most at-risk countries and an increase in affordable finance and credit enhancements.

"We need to mobilize more capital and bend down the cost of capital for countries if we're going to have any prayer to meet this," Gallagher told Reuters.

The DRGR Project is a collaboration between the Boston University Global Development Policy Center, Germany's Heinrich-BA-Stiftung, and the Centre for Sustainable Finance at the University of London's School of Oriental and African Studies (SOAS).

The report also presses the International Monetary Fund to rejig the way it calculates debt sustainability: arcane-sounding assessments that are crucial to determining how much debt relief countries in default get.

If the amount of debt that the IMF determines a country can handle is too high, it be saddled with unaffordable payments that could push it back into default.

Private creditors, however, have at times criticised the Fund's analyses for being too pessimistic, making them closely watched and politically charged.

The DRGR says the IMF, which is conducting a years-long review of the analyses, must incorporate climate spending needs, as well as buffers to cover shocks ranging from climate catastrophes to economic crises to pandemics.

"If the international community does not act in a swift and uniform manner to provide comprehensive debt relief where needed alongside new liquidity, grants and concessional development finance, the costs of inaction will be exorbitant," the report warned. https://www.business-standard.com/world-news/climate-spending-may-make-emerging-nations-with-high-debt-insolvent-report-124041500960_1.html

9.   Create a world where clean air is not a privilege but a Civil Right!! *(financialexpress.com)* Updated: April 16, 2024

Experts even go to the extent of clearly pointing out the reduction of 6-12 years of life expectancy only due to this air pollution.

Life is all about awareness! An awareness till it becomes a conviction that comes to govern our choices in life. We have now almost reached a stage of a 'DO or DIE' in so far as the threats of climate change are concerned. It is not only changing the bio-conglomerations that sustain a healthy human life but is also destroying the very core elemental base that is so essential for our survival. All the developed countries in this world have undergone this ordeal in some form or the other over different timelines. Now the developing countries while on their path to higher strata of development are also encountering their own set of challenges. The cumulative effect has been drastic. It has resulted in upwardly moving the temperature level by a minimum of 1.5 degree Celsius. Climate change has pushed us towards so many uncertainties and imbalances such that the very agro-patterns and the bio-life around us have received an irretrievable setback.

The experts are constantly bringing out their reports. It is now no longer just a matter of it being a conflict between the developed and developing countries. Even within the

nation's internal scheme of things, their political parties in their urgency to prove their worthiness are frantically vying to prove their concern for development, without first carefully ascertaining what would actually be the correct formats.

Consequently, the side effects of such sub-optimal moves soon bring home their redundancy. Surprisingly, someone even commented, "one generation will have to suffer, if real development has to happen during our regime". The present era now needs to redefine the new vectors for a desired eco-friendly development. Amidst oscillating poverty lines and income disparities, the choices available could be mutually dichotomous in themselves if the vision remains limited to gaining success in the short run.

Can we afford to on the other hand, forget that out of the 7 million deaths in the world that happened owing to severe air pollution, 2.5 million actually took place in India alone which amounts to 30% of these total unnatural deaths. The same proportionate impact is observed when we consider varied health issues.

Experts even go to the extent of clearly pointing out the reduction of 6-12 years of life expectancy only due to this air pollution. 140 million people in the world breathe 10 times more polluted air when compared to the WHO standards. So, the states like UP breathe 13 times more polluted air. In NCAP they have fixed a target of 30% reduction per annum, against the existing 22% yearly enhancement of the particulate pollution in the country. The reduction is yet to be fully observed at the ground level.

While on the international front countries are often bringing up this issue as climate change is not constrained by our political boundaries, the global diplomatic network of right-thinking nations needs to further sensitize to this burning issue. They need to come on to the same page. Deflections may keep emerging, yet the right-thinking heads need to keep open viable options for re-alignment. Similarly, within the country, there is now an urgent need for it to become a part of the political manifesto such that it gets its due attention. This is essential as people need to be sensitized repeatedly about this hovering threat in their lives. During the recent calamitous situation, where it had become a matter of life & death, we gave it its due diligence wholeheartedly following the Covid appropriate protocols. So, the question 'WHY' needs to be addressed first. Rest will automatically follow suit.

Amidst the developmental trade-offs, the issues of cogent lifestyle changes become imperative, as only then can one positively impact the local air quality. It might have taken an anti-smoking campaign an extended span of 10 years to become effective, yet finally when it did, it did deliver the desired results. So, if we continue to persist in the right direction there will eventually be light at the end of the dark tunnel.

Under the circumstances, various organisations have been bringing people together on a common platform by creating City Action Groups, carrying out programs for school children, drivers and construction agencies, focusing on how best to mitigate pollution at its very source. Many practices that are harmful, new practices that are seemingly beneficial, all find their due place in this targeted drive. We are all anyways not ignorant about this issue as much has already been made available via social media. However, repeated dissemination in diverse ways holds the final key to eventually usher in the desired change in the human response patterns. It is our zeal that led us to the

conducting of 'Hackathons' amongst the youth in the domain of air-pollution mitigation.

Coinage of slogans or proper hashtags are important for this target group for a quick and deep penetration. LCF recently started a new drive coined 'PANGA' – "Passionate Action to Neutralise Growing Air-Pollution". Under this mission multiple teams are invited, and competitions held where suggestions are invited. These need to be original, relevant, creative, value based and outcome oriented. It has begun to gain popularity in several colleges. However, possibly this too shall outlive its utility after some time. But we need to continue striving to constantly locate innovative methods of effective communication. All efforts need to be focused on 'awareness' till it becomes a 'conviction' leading to intrinsic changes in our everyday lifestyle.

Today, we proudly acknowledge Mawlynnong (a village in Meghalaya) as the cleanest village in Asia or Indore as the cleanest city in India. So, the urgent need of the hour today is to draw out markers for healthy cities as well as environmentally friendly towns and villages in India. It will have to be backed by extended wide scale campaigns towards promoting environment friendly practices and at the same time shunning habits that could thwart such initiatives. We now need to constantly reinforce those basic points we have already often been discussing for several years to mitigate this threat and ensure that both we as well as our future generations now once again can breathe fresh and clean healthy air.

These measures are relevant at its very cutting-edge level that include greening of local habitat; encouraging walking & cycling as well as increasing use of public transport, segregating waste at its source and converting it to manure, reducing and recycling plastic waste, encouraging use of natural fibres and earthen materials for making sustainable products and many more similar practices that are essential to mitigate the pollution at its very source.

Then we can eventually focus on building a public movement for asserting as well as pursuing the laws that support environmental health, customising technology options including R&D to minimize carbon footprint, optimising on energy sources, evolving innovative ways in all plausible domains to nurture a healthy environment in collaboration with the concerned stakeholders, locally as well as globally. Some countries might face incongruence and inconsistency in their developmental cycle, yet one needs to continue to take action in a balanced and graduated manner maintaining a positive mindset. In order to unlearn and also relearn these harsh facts that are glaring at us in the face of critical decision making for survival, an all-out effort is the imperative need of the hour. https://www.financialexpress.com/opinion/create-a-world-where-clean-air-is-not-a-privilege-but-a-civil-right/3458385/

10.   IMF, World Bank should fix gaps in climate strategy: Report
(economictimes.indiatimes.com) April 16, 2024

Multilateral institutions, more specifically the World Bank and the International Monetary Fund, need to follow a gap-based approach to addressing climate challenges at speed and scale, a report by the Bretton Woods Committee's Multilateral Reform Working Group said Monday.

The report comes just ahead of the April 17-19 scheduled meeting of the board of governors of the World Bank and the IMF to discuss issues of global concern.

"As our world faces the increasingly complex challenges of the 'global commons', it is time for these institutions to evolve again in line with their comparative advantages," said authors Joaquim Levy, Axel Weber, and Siddharth Tiwari.

They argued for three gaps in the public sector's approach that need to be addressed by the IMF and the World Bank. The first pertains to governance, while the second and third focus on implementation and accountability. https://economictimes.indiatimes.com/news/international/world-news/imf-world-bank-should-fix-gaps-in-climate-strategy-report/articleshow/109323397.cms?from=mdr

11.   Poverty in India: Tracking it mustn't become a casualty of politics *(livemint.com)* 16 Apr 2024

We need to redefine poverty. A consensus on what it takes to live a life of dignity would help us resolve the country's controversy over poverty as we near elections.

Elections in India seem to be incomplete these days without the background noise of a statistical controversy. Ahead of the 2019 Lok Sabha elections, the suppression of an unflattering employment report had ignited a controversy. At that time, two members of the National Statistical Commission (NSC), India's apex statistical regulator, had resigned in protest. They were vindicated when the ministry of statistics and programme implementation (Mospi) released the report just after that year's elections were concluded.

This time, the partial release of a rather flattering consumption expenditure survey has stirred a controversy. Niti Aayog's chief executive was quick to claim that the survey shows an unprecedented decline in poverty over the past decade. Some economists lent support to the establishment view. Others have challenged such claims, since the new consumption survey of 2022-23 has been conducted using a different method, which makes its results incomparable with the past.

To make sense of the latest controversy, it is useful to understand the backstory first. The idea of a poverty line is as old as economics itself. Classical economists (such as David Ricardo and Thomas Malthus) held that workers were paid "subsistence wages"—just enough to buy the minimum quantity of food and clothing needed to survive. The first poverty line for British India, developed by nationalist thinker Dadabhai Naoroji, was also based on a similar idea.

Across ages and continents, most economists have held that a person must count as poor if she doesn't have enough to eat. Most modern economists also agree that it is not enough just to eat adequate food; people also need access to basic services (education, health, shelter, etc). As long as there's consensus on the minimum income (or expenditure) needed to maintain a life of dignity, and a reliable database of household income (or expenditure), estimating the number of poor households (those unable to afford a life of minimum dignity) is just a matter of simple arithmetic.

Unfortunately, there's no consensus in India or globally on the basket of goods and services needed to maintain a life of dignity. The World Bank's $1 a day or $2 a day poverty lines have been as contentious as the official poverty lines announced by India's erstwhile Planning Commission. Recent changes in how India's official consumption expenditure survey is conducted have polarized this debate further.

Over the past few decades, India's consumption expenditure survey has faced criticism from economists for underestimating consumption expenditure. Mospi has tried to address those criticisms by tweaking the questionnaire to elicit better responses. Each time it has done so, it has ensured that a representative sub-sample is canvassed using the older questionnaire, so that it is possible to link back the new data with the older consumption database (based on a different pattern of questions).

In the 2022-23 survey, Mospi chose not to have a sub-sample based on the old pattern of questions. This means there is no direct way of comparing the 2022-23 figures with earlier rounds. Economists who pay attention to detail haven't missed the fact that several big changes were introduced in the new survey without leaving any scope for precise comparisons with the past data. They are now crying foul.

This controversy was entirely preventable. When the survey was being rolled out, the then NSC team led by Bimal Roy had asked for a comparable sub-sample. However, the NSC went back on its decision since Mospi's mandarins were not keen on canvassing a comparable sub-sample this time, according to a person with direct knowledge of the matter. The NSC chief, whose term was about to end, went along with Mospi's view. The next NSC chief, Rajeeva Karandikar, has been at loggerheads with Mospi's top bosses, according to the above-mentioned source, and has not approved any survey-related decisions so far. This may have given Mospi officials a pretext to release the latest consumption survey fact-sheet without consulting the NSC.

Some economists have suggested that a comparable sub-sample should be canvassed in the next consumption survey, so that the new database can be linked with the old consumer expenditure data. That would be the first step in resolving this controversy.

Going ahead, we need to rethink how we define poverty in the country. All official poverty lines in India have been pegged to a definition of poverty formulated by a Planning Commission task-force in 1979. That definition was based on the average calorie requirements in rural and urban India at that point of time. A lot has changed since then, such as social norms of what constitutes a life of dignity; also, consumption patterns. The average Indian has a less active life, meaning that calorie requirements have also changed considerably. The 1979 definition worked for a while in estimating extreme poverty. But it needs to be revisited.

We also need a new definition of not-so-extreme poverty that goes beyond food and nutrition. To arrive at this definition, we will need to forge a national consensus on what it means to live a life of dignity, and the kind of income (or expenditure basket) needed to sustain such a life. More maturity from our politicians and technocrats could help bring about such a consensus. Till then, any definition of poverty in India will remain deeply contentious. https://www.livemint.com/opinion/online-views/poverty-in-india-tracking-it-mustn-t-become-a-casualty-of-politics-11713241932108.html

12. Potential approach for Artificial Intelligence governance in India *(barandbench.com)* 16 Apr 2024

This article is a brief analysis of the complex adaptive system framework proposed by the Economic Advisory Council to the Prime Minister of India for AI governance in India.

While the European Union (EU) has officially published the final version of the Artificial Intelligence (AI) Act, and the United States (US) is pushing for a sector-specific governance model, to regulate the development and use of Artificial Intelligence, India's Economic Advisory Council to the Prime Minister has proposed a Complex Adaptive System (or CAS) framework to govern the AI (CAS Framework Proposal). This article outlines the principles of AI governance enunciated in the CAS Framework Proposal and briefly touches upon a few draft legislations, recommendations, and policies in the field of AI.

Principles for AI Governance
The CAS Framework Proposal sheds light on five core principles to regulate the use of AI:

(i) Instituting Guardrails and Partitions to 'Prevent Wildfire' – This principle emphasizes (i) the need to limit the operation of AI systems within specific predefined technical boundaries to control the unpredictable behavior of the AI systems; and (ii) the creation of different partitions for different AI processes via strict separation protocols and techniques.

(ii) Ensuring Human Control through Manual 'Overrides' and 'Authorization Chokepoints' – This principle focuses on ensuring human oversight over the behavior of AI. Humans are required to intervene, control, and remediate the unpredictable or non-standard behavior of AI systems. Further, where high-risk decisions are intended to be taken by the AI systems, this principle emphasizes the need for human validation of those decisions by establishing a hierarchical governance process to assess and validate the AI systems' decisions, and this requires imparting specialized training on AI to those human validators.

(iii) Transparency and Accountability – This principle (i) promotes the use of open-source licenses for AI algorithms, which can be evaluated by external auditors for bias and risks; (ii) emphasizes the documentation—in a uniform format for consistency in interpretation—detailing AI system development (i.e. via coding or learning), logs, data sources, training procedures, performance metrics, and known limitations; (iii) mandates dynamic monitoring through regular audits of AI systems, the disclosure of extreme outcomes, and the use of debugging and monitoring tools to track AI systems' decisions real-time.

(iv) Distinct Accountability – This principle requires predefining liability protocols in case of AI systems' malfunctioning or non-standard behaviors. In other words, to ensure accountability, any malfunctioning or non-standard behavior is expected to be attributable to a particular individual or department in an entity, and traceability mechanisms within the AI systems would assist in ensuring safety of all the components and actors involved in the functioning of the AI systems. It also mitigates any negative

impact that AI systems' non-standard behaviors may cause. Further, this principle requires the establishment of incident reporting and investigating mechanisms for AI systems' failures or non-standard behaviors.

(v) Specialized, Agile Regulatory Body – This final principle focuses on (i) the establishment of a separate and independent expert regulatory body with a mandate to swiftly counter the emerging AI challenges by avoiding red-tapism; (ii) equipping the regulatory body with tools and methods for scrutinizing the AI domain for compliance gaps and/ or any other matter that warrants regulatory attention and intervention; (iii) encouraging the regulatory body to coordinate with academia and industry bodies and take into account any feedback received from them while issuing any directives. Further, this principle specifies the use of real-time monitoring tools to monitor the AI systems' behaviors against set standards; the adoption of automated systems to notify any potential non-standard behaviors; the establishment of a centralized database for AI algorithms for regulatory compliance and promoting innovation; and the establishment of a national registry of non-standard behaviors, which is necessary to provide feedback and course correct the AI for the regulator.

Other Draft Policy Frameworks and Legislative Proposals
There have been other recommendations from the AI Taskforce (Report of Taskforce on Artificial Intelligence) NITI Aayog (National Strategy on Artificial Intelligence, Two-Part Discussion Papers on Responsible AI), and the Ministry of Electronics and Information Technology (MeitY) (Reports of the AI Committees). These recommendations focus on seven core principles: safety and reliability; equality; inclusivity and non-discrimination; privacy and security; transparency; accountability; and protection and promotion of positive human values. The CAS Framework Proposal appears to echo the same essence of these seven principles.

Additionally, the Indian government is likely to bring:

(i) Draft Digital India Act – This is intended to replace the existing Information Technology laws, and proposed to operate as holistic legislation expanding its horizon to multiple aspects, including data protection and AI as much as it is necessary to safeguard the users who may be affected using such AI. Also, it advocates for the creation of a separate agency responsible for overseeing the digital domain.

(ii) Recommendations from Telecom Regulatory Authority of India (TRAI) – Besides the above, the TRAI as well has stepped into the framework preparation for AI governance, and advocates for a uniform, sector-agnostic regulatory framework with a risk-based approach for governing AI systems, and an independent statutory authority responsible for developing AI governance guidelines and ethical codes. This appears to closely align with the EU's approach for AI governance.

(iii) Draft National Data Governance Framework Policy – Besides intending to transform data governance and processing by the government, this policy intends to promote AI and Data-led research and the start-up ecosystem by creating a large repository of anonymized datasets. This is done by creating and maintaining the India Datasets platform which will allow the Indian researchers and startups to access the anonymized datasets.

(iv) Guidance on AI Risk Management – The AI committee of the Bureau of Indian Standards focuses on developing Indian standards equivalent to ISO in the field of AI. The relevant standards are Information technology Artificial Intelligence Process management framework for big data analytics; Information Technology Artificial Intelligence AI Overview of computational approaches for AI systems; Information Technology Governance of IT Governance implications of the use of artificial intelligence by organizations; and Information Technology Artificial Intelligence Overview of Ethical and Societal Concerns. These standards are accessible at cost on the BIS website.

Conclusion

While the principles enunciated in the CAS Framework Proposal may positively assist the Indian government in developing an appropriate framework for AI governance, it remains to be seen how the Indian government intends to govern AI via the Digital India Act or any other new piece of legislation for exclusive governance of the development, deployment, and operation of the AI. It is expected that the Indian government, considering the principles under the CAS Framework Proposal, other draft policy frameworks, and recommendations from various AI experts and stakeholders, may adopt a holistic and sector-agnostic AI governance approach that remains fluid and flexible to the changing AI technological risks and capabilities. Also, it is reasonable to expect that any proposed AI governance approach covers the use of AI not just by the private players, but the statutory agencies as well. https://www.barandbench.com/law-firms/view-point/potential-approach-artificial-intelligence-governance-in-india

13. New goverment must fix India's food systems
(indianexpress.com) Updated: April 15, 2024

Next government must focus on raising productivity in agriculture, scaling up processing and retailing, and facilitating the adoption of new technologies

Nothing much will move unless farmers' incomes improve. For that, we need to "re-purpose" our subsidy regimes, be it fertilisers or food. (File Photo)Nothing much will move unless farmers' incomes improve. For that, we need to "re-purpose" our subsidy regimes, be it fertilisers or food. (File Photo)

As the election campaign in India hits fever pitch despite rising temperatures, most pollsters are predicting a continuation of the incumbent government. Interestingly, the Narendra Modi government has already asked various ministries to prepare plans that they would like to announce in the first 100 days of their third term. The ministries are contacting various experts to help them frame the right policy framework that is in sync with the vision of Viksit Bharat@2047.

Here are some of our suggestions for the agri-food space. They are based on our interactions with experts during the four-day forum organised by the Asian Development Bank on food security in the wake of climate change. Learning from the experiences of other countries is always useful.

First, we need to see this as a food systems transformation. Agriculture has to produce not only more food, fibre and even fuel (biofuels), but it has to do so with fewer

resources. India's population is likely to go to about 1.6 billion by 2047. So, there are more mouths to feed. With gradually rising incomes, people will demand more and better food. Efficiency in the use of land, water, labour, and inputs like fertilisers and farm machinery is going to be critical. In other words, we must aim to raise our total factor productivity. This can be done only by putting in more resources in agri-R&D, innovations and extension.

Second, the production system is being threatened by extreme weather events triggered by global warming. The last April to March temperature has already hit the Laxman Rekha of 1.5 degrees Celsius above pre-industrial levels. Last year's El Nino effect led to agri-GDP growth dropping from 4.7 per cent in 2022-23 to just 0.7 per cent in 2023-24 (as per the second advance estimate). This poses a high risk, which then triggers knee-jerk reactions to ban exports, putting stock limits on traders, and unloading government stocks below their economic costs with a view to contain food inflation. The real solution lies in investing resources to create climate-resilient (smart) agriculture. This would mean more investments in seeds that are heat and flood-resistant, and more investment in water resources not just in augmenting their supplies but also ensuring water is being used more wisely. "More crop per drop" should not be just a slogan but a reality. Drips, sprinklers, and protected cultivation as part of precision agriculture will have to be adopted at a much larger scale than today.

Given that almost 78 per cent of India's freshwater is used for agriculture, we must learn to use every drop of water wisely, else cities will starve for water. Bengaluru's water crisis is just a trailer. More is yet to come.

Third, we must realise that by 2047, more than two-thirds of India will be living in urban areas — up from about 36 per cent today. Migration from rural to urban areas in search of higher productivity jobs is a natural process that cannot, and should not, be wished away. The implication of this is that much of the food will have to be moved from the hinterlands to urban areas. This would require a massive logistics revolution, from transporting to stocking to processing and organised retailing. This would open doors for large-scale investments, primarily by the private sector. The new government will have to facilitate this transformation by changing laws that are suitable for Bharat@2047. Many of our laws are those we inherited from the British in 1947. A fresh set of rules that are more market-aligned would be the need of the hour to build efficient value chains. Else, we are afraid, our post-harvest losses will mount.

Fourth, in this food systems transformation, while all players from the seed industry to farm machinery to processing and retailing are scaling up, farming is still fragmenting into smaller and smaller holdings. The challenge is to ensure that these smallholders are brought together, through Farmer Producer Organisations (FPOs) or cooperatives (as was done in the milk sector, a la AMUL), to create a scale that is demanded by processors, organised retailers, and exporters. This institutional innovation is the key to inclusive Bharat.

Fifth, on the consumption front, we need to move beyond simple food security to nutritional security. Our malnutrition numbers, especially for children below the age of 5, are horrifying. With stunting today at 35 per cent, how would they make an efficient labour force for Bharat@2047? For this to improve, besides sanitation, women's education and immunisation, we also need to fortify our staples with micro-nutrients.

The government has made a beginning with zinc-rich rice and wheat, but why is it shying away from golden rice with beta carotene (Vitamin A rich), when Australia, New Zealand, Canada, and the US have declared it safe, and even Bangladesh and Philippines have allowed its trials? Rice is our first crop, and most of those children who are malnourished today consume a lot of rice. This needs to be fortified with high nutrition.

Sixth, all this cannot be done by the government. Public-private partnerships are the way to go. The private sector can build efficient value chains and also produce seeds that are climate-resilient and more nutritious. The government has to provide a conducive policy framework. When the government can devise PLI-type schemes for industry, why not for food systems transformation for tomorrow?

Lastly, nothing much will move unless farmers' incomes improve. For that, we need to "re-purpose" our subsidy regimes, be it fertilisers or food. A minimum of 25 to 30 per cent of the Rs 4 trillion subsidy on food and fertilisers can be saved if we move from the price-subsidy approach to direct income transfers for beneficiaries. These savings can be ploughed back into food systems for higher resilience and better nutrition.

Can the next government do it? Only time will tell. https://indianexpress.com/article/opinion/columns/new-goverment-must-fix-indias-food-systems-9270225/

14. India's race to bring back black money
(timesofindia.indiatimes.com) April 16, 2024

In recent years, the Indian government has embarked on an ambitious and resolute campaign to combat the menace of black money. With a blend of strategic initiatives and steadfast determination, the Indian government has undertaken a series of measures aimed at rooting out this pervasive issue from the country's economic landscape. From demonetization to the implementation of stringent financial regulations, government's efforts reflect a commitment to foster transparency, accountability, and integrity in the nation's financial ecosystem. Over the course of 10 years transformative agenda set forth by the government in the relentless pursuit of eradicating black money and its far-reaching implications for India's economic future has seen many chapters and sequels.

It all started with a pivotal move back in the year 2015 when the Indian government introduced the "Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act,". Through the implementation of punitive penalties and a 30% penalty over the taxed rate, this effort gave individuals the chance to reveal their foreign holdings. The move saw 648 declarations of undisclosed foreign assets amounting to a whooping Rs 4164 crores. An additional amount of Rs 2476 crores was collected as tax and penalties. Till December 31, 2022, the Indian government revealed that it had raised a tax demand of Rs 15, 664 crores after completion of assessment in 408 cases, besides launching 127 prosecutions.

This was followed by the implementation of the Automatic Exchange of Information (AEOI) in 2017, aimed to keep a check on the financial transactions of Indian citizens beyond the country borders. Based on the Common Reporting Standard (CRS), the

initiative allows the government authorities to receive financial account information of Indians who are residing in other jurisdictions with which the AEOI relationship is activated. India has also entered into an Inter-Governmental Agreement (IGA) with USA in 2015 for sharing of financial account information on automatic basis.

To augment, the Indian sub-continent is also part of the 'Egmont Group' that connects worldwide Financial Intelligence Units making seamless exchange of information possible. The impact has been worth mentioning. A startling influx of 6,45,905 Suspicious Transaction Reports was discovered in the FY 2022–2023 Annual Report of the Financial Intelligence Unit – India, the national agency tasked with processing, analysing, and disseminating actionable information regarding suspect financial transactions.

The fight against fugitives—people who run to foreign countries to evade prosecution and the judicial system—has gained more momentum with the enactment of the Fugitive Economic Offenders Act by the Indian Parliament in July 2018. Any Special Court established under the PMLA gives the authority to seize the assets and properties of these economic offenders if their combined worth exceeds Rs 100 crores.

Notable accomplishments include the total attachment of assets worth Rs. 19, 111 crores as of March 2022 that belonged to Mehul Choksi, Nirav Modi, and fugitives Vijay Mallya. Of these, Rs 15, 113.91 crores have been returned to public sector banks. This is a noteworthy recuperation of 84.6% of the whole fraudulent activity. According to a September 2023 announcement made by Union Minister, there has also been a significant increase in the extradition of criminals and fugitives in recent years. In contrast, under the United Progressive Alliance (UPA) administration (2005–2013), there were 4 fugitives who returned to India; however, from the year 2014, the figure has increased to 10 during the NDA administration. In 2021, there were 18, 27 in 2022, and 19 up to September 2023.

The International cooperation mechanism involves two elements, information sharing and asset recovery. These elements are further sub-categorised into 'formal' and 'informal' exchanges. Whereas the 'informal' information exchange involves intelligence sharing and specific inputs for drafting subsequent formal requests, 'formal' exchange of information involves gathering of evidence, establishing money trail and examination of witnesses. The information gathered from only formal exchange of information is admissible during trial. In addition, the 'formal' process of asset recovery includes restrain, freezing, seizure, forfeiture, confiscation, repatriation and return of assets.

The information sought to be obtained from abroad can be used in evidence if there is a clear link to the 'Proceeds of Crime', that must be proved under the 'Prevention of Money Laundering Act (PMLA)', and that it is not readily available through domestic sources i.e. banks, local law enforcement agencies etc. Akin to this, Indian agencies such as the Enforcement Directorate (ED) have also received requests for assistance from foreign jurisdictions through INTERPOL, CARIN / ARIN – AP network, COIN etc. The ED has been a member of the ARIN-AP network since 2015 and an active participant in the exchange of information.

COIN units pass information relating to company incorporation, shareholder details, assets, business activity etc. Mutual Legal Assistance Treaty (MLAT) requests are issued between the Central Authority of the respective countries, and Letter of Requests (LRs) are issued by the Court at the request of the investigating authorities. Chapter IX of the PMLA i.e. Sections 56 to 60 lay down the reciprocal arrangements with foreign jurisdictions and bring such international cooperation to life.

Addressing the inauguration of the 90th General Assembly of the Interpol in October 2022 in Delhi, PM Modi flagged the need for speeding up Red Corner Notices. At present, there are nearly 780 Active Red Corners Notices issued by India.

A study of the decade long timeline throws up positive indicators that the Government has introduced for realization of money stacked abroad and hauling up economic fugitives through seamless cross border exchange of information. New tools of investigation and reciprocal implementation of Letter of Requests (LORs), seizures, confiscation have improved India's standing in the global fight against corruption.

However, even though recovery numbers are high, the number of extraditions still have scope for marked improvement. It is necessary that our time lapsed extradition agreements / treaties are updated with new age offences. The long hand of the law needs to be strengthened further to bring more offenders to face prosecution in India, especially at a time when India's foreign policy is being hailed for its effectiveness and bustling self-belief. https://timesofindia.indiatimes.com/blogs/voices/indias-race-to-bring-back-black-money/

15. Modernised Indian military has reduced its dependence on Russian arms: US *(business-standard.com)* Apr 16 2024

India in 2023 showcased itself as a global leader as it demonstrated a greater willingness to counter China's activity throughout the Indo-Pacific region and took steps to modernise its military and reduce its dependency on Russian origin-equipment, the top US intelligence official has told Congress.

The remarks by Lt Gen Jeffrey Kruse, Director of the Defence Intelligence Agency came during a Congressional hearing on defence intelligence countering China.

During the past year, India has showcased itself as a global leader by hosting the Group of 20 economic summit and demonstrated a greater willingness to counter PRC's (People's Republic of China) activity throughout the Indo-Pacific region, Kruse told members of the House Armed Services Committee the subcommittee on intelligence and special operations.

India, he said, has advanced partnerships in the Indo-Pacific with regional South China Sea claimants, such as the Philippines, through training and defence sales and deepening cooperation with the US, Australia, France and Japan.

China claims most of the South China Sea as its own, while The Philippines, Vietnam, Malaysia, Brunei and Taiwan have counterclaims over the maritime area.

In 2023, India took steps to modernise its military to compete with China and reduce its dependency on Russian-origin equipment. India conducted sea trials for its first domestically produced aircraft carrier and also has negotiated with several Western countries on the transfer of key defence technologies, Kruse said.

India has maintained its neutral stance on Russia's invasion of Ukraine. Russia remains India's most substantial defence partner and New Delhi continues to acquire weapons from Moscow, such as the S-400 surface-to-air missile system, despite New Delhi's desire to diversify its defence acquisition partnerships, Kruse said.

In 2024, New Delhi probably will focus on securing its national parliamentary elections, maintaining economic growth, and building on its Make in India' initiative as part of its military modernisation effort -- which is aimed at countering Beijing, he told the lawmakers.

Bilateral relations between India and China remain tense following the 2020 Galwan clash that killed 20 Indian soldiers and at least five PLA (People's Liberation Army) soldiers.

In October 2023, senior Indian and PLA officers failed to resolve disputes about the two remaining standoff locations in eastern Ladakh during their twentieth round of talks. Both sides maintain approximately 50,000-60,000 troops in the area and continue to improve their military infrastructure near the border, Kruse told the lawmakers.

On Pakistan, Kruse told lawmakers that it has sought international support, including from the UN Security Council, to resolve its dispute with India about Kashmir. Separately, Islamabad and New Delhi have maintained an uneasy ceasefire along the shared Line of Control since February 2021.

Pakistan has sustained its nuclear modernisation efforts despite its economic turmoil. Terrorist violence against Pakistani security forces and civilians also rose last year, Kruse said.

In 2023, militants killed approximately 400 security forces, a nine-year high, and Pakistani security forces have conducted almost daily counterterrorism operations during the past year.

Pakistan's contentious relationship with India continues to drive its defence policy, Kruse said. However, cross-border violence between the countries has decreased since their February 2021 recommitment to a ceasefire, he said.

Islamabad is modernising its nuclear arsenal and improving the security of its nuclear materials and nuclear C2. In October, Pakistan successfully tested its Ababeel medium-range ballistic missile, he said. https://www.business-standard.com/india-news/modernised-indian-military-has-reduced-its-dependence-on-russian-arms-us-124041600058_1.html

16.   Tackling India's unemployment problem: Services, skills, and symmetry *(orfonline.org)* April 15, 2024

The Indian service sector necessitates the implementation of specific policies to guarantee the adoption of technology and upskilling to secure growth

The latest estimates of Gross Domestic Product (GDP) released by the National Statistical Office (NSO) of India reveal that services reserve the greatest share of domestic output. The reliance on services for economic growth demands a fully developed job market, enabling a free flow of workers and a fair determination of wages. The absence of such mechanisms will lead to rigidity in the services sector, curtailing growth and imposing an economic penalty on the working class. This essay explores some crucial aspects of the current structure of the Indian job market, against the backdrop of the increasingly important position of the services sector. The key focus areas include the role of technology in shaping the services sector, the skill mismatches in the Indian labour market and the usage of services as the gateway to a gender-neutral work environment.

The reliance on services for economic growth demands a fully developed job market, enabling a free flow of workers and a fair determination of wages.

Technology and services
The momentous transformation of the Indian economy is being spearheaded by the service sector, which contributes more than 50 percent of the GDP. The sector's expansion is not happening in isolation but is deeply intertwined with global technological advancements. Technological progress has been a catalyst for efficiency, customer satisfaction, market expansion, and data-driven decision-making within firms. It has also given rise to new service categories, such as e-commerce and other tech-based services, revolutionising the sector.

The relationship between the service sector's growth and technological innovation is mutually beneficial. As the service sector expands, it fuels further innovation in technology-based solutions. New ventures and their technological needs push for continuous technological advancements to gain competitiveness that is needed to maintain their foothold in the dynamic industry. This competition and need for differentiation lead to increased investments in research and development (R&D) and open innovations, benefiting both the firms involved and the public.

Efforts to improve digital literacy have further accelerated technology adoption across India, with 69 percent of businesses identifying as "Digital Businesses" and the country exhibiting the highest fintech adoption rate at 87 percent.

The introduction of 5G and the ongoing development of 6G technologies have significantly enhanced connectivity, service delivery speed, and overall efficiency. Efforts to improve digital literacy have further accelerated technology adoption across India, with 69 percent of businesses identifying as "Digital Businesses" and the country exhibiting the highest fintech adoption rate at 87 percent. The application of Artificial Intelligence (AI) in business operations has improved operational efficiency, customer satisfaction, and decision-making, positioning India as a leader in AI adoption globally.
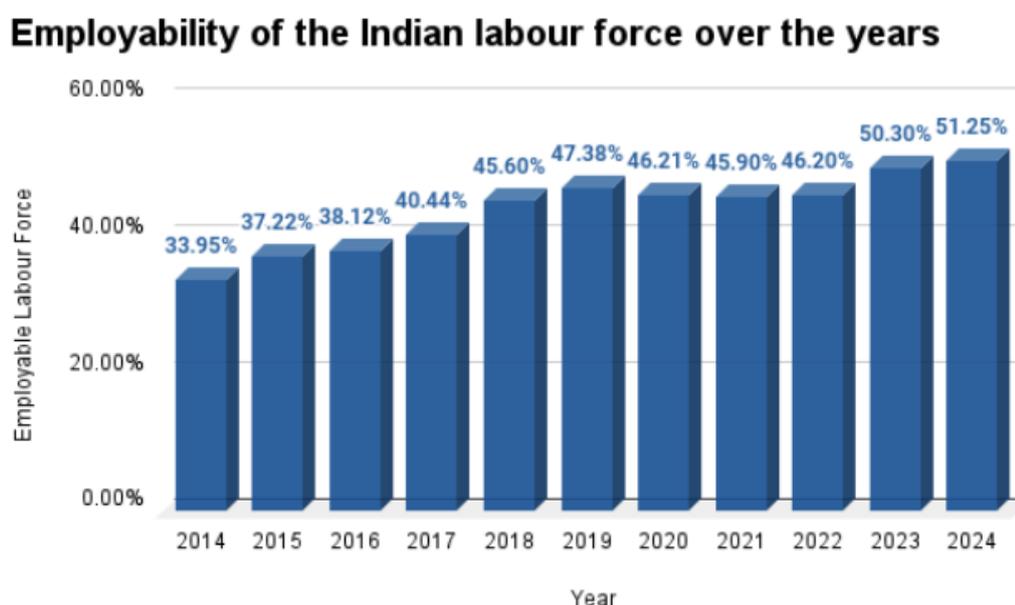
However, the rapid digital transformation will require India to balance between creating employment and providing the relevant skillsets for technology-demanding jobs.

The skill divide

In India, the skill gap in the labour force is a significant challenge, with only about 51.25 percent of the youth deemed employable due to a lack of necessary skills. This issue is exacerbated by the country's diverse socio-economic conditions, particularly affecting those in rural areas and from economically disadvantaged backgrounds, who lack access to quality education and training. This situation not only perpetuates cycles of poverty but also aggravates wage inequality. The problem is further compounded by inadequate emphasis on developing non-technical skills such as communication, critical thinking, and leadership, which are increasingly in demand. The absence of these skills from the curriculum of most educational institutes stimulates employers to choose candidates only from a handful of premier institutes. Additionally, there is a significant mismatch between the skills taught and those required by employers, leading to unemployment even among the formally educated.

Figure 1: Employability of the Indian labour force over the years

Figure 1: Employability of the Indian labour force over the years

Employability of the Indian labour force over the years

Source: Compiled by authors from India Skills Report data (2022, 2024)

Source: Compiled by authors from India Skills Report data (2022, 2024)

Efforts to bridge this gap should include public-private partnerships (PPPs), such as the initiative to upgrade Industrial Training Institutes (ITIs) and the establishment of the National Skill Development Corporation (NSDC) in 2009, aimed at training 150 million people by 2022. These initiatives represent steps toward aligning educational outcomes with market needs, emphasising the importance of both technical and non-

technical skills development to enhance employability and address inequality within the Indian labour market.

Ensuring gender balance

Female employability in India has been consistently higher than male employability from 2020 to 2023 which has dropped in 2024. Furthermore, it has been higher for seven out of eleven years of the Wheebiz India Skills Report survey. However, there has been a persistent gap between female and male labour force participation, indicating a possible bias against employing women over men. Fortunately, this bias is diminishing as female labour force participation has risen over the years, but it still needs improvement.

The Indian government has implemented various initiatives to foster gender-inclusive employment, aiming to bridge the gender gap in the workplace, making employing female labourers more lucrative while also ensuring it does not come at the cost of pay disparity.

One significant legislation is the Equal Remuneration Act of 1976, designed to eliminate the wage gap between genders by ensuring equal pay for equal work. However, the act faces challenges, such as the narrow interpretation of "the same work or work of similar nature" and the onus on employees to prove discrimination, which is difficult due to workplace power dynamics and legal complexities.

One significant legislation is the Equal Remuneration Act of 1976, designed to eliminate the wage gap between genders by ensuring equal pay for equal work.

The Maternity Benefit (Amendment) Act of 2017 is another progressive step, extending paid maternity leave from 12 to 26 weeks and introducing provisions for work-from-home and creche facilities in larger establishments. The act hints at the potential for introducing paternity leave in the private sector, promoting shared childcare responsibilities, and supporting women's career advancement.

Additionally, the government has launched schemes like Mission Shakti and the DAY-NRLM scheme, focusing on women's skill development and employability. These initiatives include exclusive training institutes for women, industry-oriented courses, and partnerships with private sector bodies and NGOs. To encourage female participation in skill development, 30 percent of seats in ITIs and ITCs are reserved for women.

Table 1: Growth in female participation in the workforce entering 2024

Table 1: Growth in female participation in the workforce entering 2024

Growth in Female Participation in the Workforce Entering 2024

GENDER	2023 PERCENTAGE	2024 EXPECTED PERCENTAGE
FEMALE	33%	36%
MALE	67%	64%
TOTAL	100%	100%

Source: *India Skills Report 2024*

Source: India Skills Report 2024

Political and defence force participation for women has been encouraged through reserved seats in legislative bodies and eased entry into government services. Financial inclusion initiatives and the promotion of women in executive roles are also crucial steps toward closing the gender gap, as greater female participation in decision-making and leadership positions has been linked to higher revenue and funding for businesses. These measures represent a comprehensive approach to promoting gender equality in employment, highlighting the importance of legislative support, skill development, and financial empowerment in achieving a more inclusive workforce.

Conclusion

The service sector is the key growth driver of the Indian economy, presenting both opportunities and challenges. Tackling these will require a multi-pronged approach with prudent policies and effective implementation. While PPPs and policies are there to address the issue of skill gaps, their implementation must be effective. Educational institutions should focus on updating their curriculum to meet the market's skill demands.

To enjoy technological progress, educational institutions must ensure their curriculum is updated, and at par with the latest innovations.

Technological advancement has a catch, while fostering economic growth it necessitates continuous skill upgradation. To enjoy technological progress, educational institutions must ensure their curriculum is updated, and at par with the latest innovations. Further, gender parity is indispensable for holistic economic development. The legislations reflect the intent to remove gender imbalance, but there must be effective implementation. Empowerment via financial inclusion and leadership opportunities will unlock the potential growth of the economy. These steps will ensure that the potential of the Indian economy is fully harnessed, and the benefits are equitably distributed. https://www.orfonline.org/research/tackling-india-s-unemployment-problem-services-skills-and-symmetry