

## ADDING ADANI FIRMS IN 14 NSE INDICES RAISES WORRY

### Steep fall

The table shows the % change in price in the past month and the ownership pattern of Adani group stocks

(ALL FIGURES IN %)

Stock	Fall	Ownership pattern		
		Promoter	MF+Public+ Others	FII
Adani Total Gas	-80.73	74.8	7.98	17.25
Adani Enterprises	-61.71	72.63	12.02	15.39
Adani Wilmar	-33.59	87.94	10.38	1.57
Adani Power	-46.32	74.97	12.15	12.88
ACC	-25.54	56.69	31.37	11.95

SOURCE: TRENDLYNE

Experts seek intervention of NSE Board, SEBI; investors can be hit as nearly 16% of ₹41 lakh crore assets under management of mutual funds is in index funds and ETFs that mimic indices

Financial experts have sought an urgent intervention by the National Stock Exchange Board and the Securities and Exchange Board of India to review an NSE subsidiary's move to add five Adani Group firms in 14 Nifty indices, which will drive savings of lakhs of investors into the group's sinking stocks from March 31.

On February 17, NSE Indices said that its Equity Index Maintenance Subcommittee has decided to replace stocks in various indices from March 31 as part of a periodic review. Among the stocks being included in its indices are Adani Wilmar (added to the Nifty Next 50 and Nifty 100), Adani Total Gas (Nifty Shariah 25) and Adani Power (10 different indices).

This move has raised concern amid the continuing meltdown in Adani Group stocks since January 24, when the U.S.-based firm Hindenburg Research made several allegations that the Adani group has denied. Global index provider MSCI is reviewing the inclusion of some Adani Group stocks and has reduced their "free float" weightage. The NSE's popular market benchmark, the Nifty 50, includes Adani Ports and SEZ and Adani Enterprises. Following this review, the group's stocks in Nifty Next 50 and Nifty 100 will rise to six and eight, respectively. Adani Enterprises, in the Nifty 100, has been added to the Nifty 100 Liquid 15 index.

Nearly 16% of India's mutual fund industry's ₹41 lakh crore is parked in index funds and exchange traded funds that mimic NSE and BSE indices, some of which will be steered to these stocks from March 31. Wealth managers are advising clients to shift out of exposures to index funds or ETFs linked to the Nifty indices that retain or will add Adani stocks.

In response to queries on the rationale behind the move, NSE Indices told The Hindu that the reconstitution of Nifty Indices' constituents is done on the basis of "objective stock selection criteria" published on its website.

"As mentioned in the [methodology] document, review of broad market indices is undertaken semi-annually based on data for six months ending January and July each year. As part of semi-annual periodicity, Index Maintenance Sub-Committee conducted a review of broad market and other category of indices based on data for six months ending January 31, 2022 and replacements in various indices in accordance with stock selection criteria..." the firm said, adding that the changes shall come into effect from March 31 or the close of March 29.

But given the sustained fall in most Adani group stocks since the January 31 cut-off date used by NSE Indices, Jaimini Bhagwati, a financial sector expert who had handled the capital markets division at the Finance Ministry, suggested that a review of the decision would be advisable before the March 31 implementation date for the new indices.

"There is an urgent need for the NSE's Board of Directors to take stock of this unusual situation and consider a review of the indices and their associated provisions, and related issues," Mr. Bhagwati said.

At a broader level, he said that the SEBI Board, which has recently proposed regulating index providers, should also examine the Nifty indices' inclusion of Adani group companies' stocks that have suffered the steepest falls.

"Not just the indices, the SEBI Board should also take up the other issues related to the high price volatility of several Adani stocks as urgently as possible," he suggested.

NSE Indices' indexing methodology does have provisions that allow the Index Maintenance Committee to take a decision to deal with "any exceptional situation that may arise where application of stated methodology may not be practicable".

There are also clauses that enable the firm to review its methodology based on market feedback.

NSE Indices declined comment when asked if these provisions could be invoked for a review. "While index providers like NSE Indices follow objective criteria like market capitalisation and free float to determine stock selection, they must undertake a critical review of stocks like MSCI is doing," said Raghavendra Nath, managing director at Ladderup Wealth Management Private Limited. Mr. Nath's firm, which has offices in Mumbai, Bengaluru and Dubai, generally advises clients against passive investing via index funds, as firms with corporate governance concerns or high price to earnings ratios often get included in indices based on their trading data history.

#### Onion exports increased by 16.3% in April-December 2022

523 In \$ million, the worth of onions exported by India during April-December 2022, a 16.3% rise in the commodity's exports, Commerce and Industry minister Piyush Goyal informed. In December 2022, onion exports rose by 50% to \$52.1 million. Minister Goyal's tweet came following NCP leader Supriya Sule's tweet on the matter on February 25. PTI Cost overruns for many infrastructure projects: MOSPI

335 The number of infrastructure projects, each entailing an investment of ₹150 crore or more, hit by cost overruns of more than ₹4.46 lakh crore, according to the Ministry of Statistics and Programme Implementation, which monitors infrastructure projects worth ₹150 crore and above. Of the 1,454 projects, 871 projects were delayed. PTI

## REDUCING PAIN

### *All constraints on the road to gender equality must end*

Many barriers on the road to gender equality have been removed, but many roadblocks remain. Women have fought hard to get to the present when, thanks to higher education and work opportunities, they can dream of balancing work and home, though couple equity is still not a reality for many. The battle for rights related to reproductive health has been a hard-fought one but women have been successful at persuading governments to initiate policy changes to improve their health and well-being. In India, the Maternity Benefit Act that was enacted by Parliament in 1961 has been amended from time to time to give women better benefits; for instance, paid maternity leave has been extended from the earlier 12 weeks to 26 weeks. It is in this context that the Supreme Court of India's directive to a petitioner to approach the Union Ministry of Women and Child Development to frame a policy on menstrual pain leave has to be seen. Pointing out that there are different "dimensions" to it, a three-judge Bench led by Chief Justice of India D.Y. Chandrachud said the biological process must not become a "disincentive" for employers offering jobs to women. A petition had sought the Court's direction to States to frame rules for granting menstrual pain leave for students and working women, but there are apprehensions that these could entrench existing stigma and also result in furthering discrimination.

In India, Kerala and Bihar have menstrual pain leave; the food delivery app Zomato has also introduced it. Indonesia, Japan, South Korea, Spain and Zambia have this policy included in labour laws. Many feminists have, however, decried the move, saying it will reinforce negative gender stereotypes. Also in India, there are other problems in need of addressing such as lack of sanitation facilities in school and at the workplace, especially in the informal sector. Between 2010 and 2020 the percentage of working women dropped from 26% to 19%, according to World Bank data. To encourage more women to join the workforce, it is imperative they have access to higher education and more opportunities. Sometimes, girls have to drop out from school simply because there are no toilets. In a world that should strive to become a better place for all, it is the responsibility of the wider society and governments to ensure that no section is left behind. Many countries are trying out four-day work days for a quality life, while others are offering paternity leave so that parenting can be, rightly, equally shared, and also to ensure employers do not see recruiting women as a disadvantage. All constraints on the road to gender equality and equity must be done away with.

## THE SOPHISTICATED ANATOMY OF HEAT WAVES



*What was the warning issued by the India Meteorological Department? Why do heat waves occur? Why are they more frequent and intense? How do the La Niña and El Niño weather patterns affect the formation of heat waves? How can we forecast the arrival of heat waves?*

### EXPLAINER

The story so far:

Last week, the India Meteorological Department (IMD) warned that the maximum temperatures over northwest, west, and central India would be 3-5°C higher than the long-term average. On February 21, the national capital recorded its third hottest February day (33.6° C) in more than five decades.

What is a heat wave?

According to the IMD, a region has a heat wave if its ambient temperature deviates by at least 4.5-6.4°C from the long-term average. There is also a heat wave if the maximum temperature crosses 45°C (or 37°C at a hill-station). Heat waves are expected to become longer and more intense and frequent over the Indian subcontinent. In 2022 itself, the heat waves started early and were more numerous. They also extended further south into peninsular India due to a north-south pressure pattern set up by the La Niña, a world-affecting weather phenomenon in which a band of cool water spreads east-west across the equatorial Pacific Ocean.

The last three years have been La Niña years, which has served as a

precursor to 2023 likely being an El Niño year. (The El Niño is a complementary phenomenon in which warmer water spreads west-east across the equatorial Pacific Ocean.) As we eagerly await the likely birth of an El Niño this year, we have already had a heat wave occur over northwest India. Heat waves tend to be confined to north and northwest India in El Niño years.

How do heat waves occur?

Heat waves are formed for one of two reasons — warmer air is flowing in from elsewhere or it is being produced locally. It is a local phenomenon when the air is warmed by higher land surface temperature or because the air sinking down from above is compressed along the way, producing hot air near the surface.

A study published on February 20, 2023, in Nature Geoscience offers explanations as to how different processes contribute to the formation of a heat wave. (The study's findings have been adapted here to the Indian context.)

First of all, in spring, India typically has air flowing in from the west-northwest. This direction of air-flow is bad news for India for several reasons. In the context of climate change, West Asia is warming faster than other regions in latitudes similarly close to the equator, and serves as a source of the warm air that blows into India. Likewise, air flowing in from the northwest rolls in over the mountains of Afghanistan and Pakistan, so some of the compression also happens on the leeward side of these mountains, entering India with a bristling warmth.

While air flowing in over the oceans is expected to bring cooler air, the Arabian Sea is unfortunately warming faster than most other ocean regions. Next, the strong upper atmospheric westerly winds that come in from the Atlantic Ocean over to India during spring control the near-surface winds. Any time winds flow from the west to the east, we need to remember that the winds are blowing faster than the planet itself, which is also rotating from west to east. The energy to run past the earth near the surface, against surface friction, can only come from above. This descending air compresses and warms up to generate some heat waves.

Finally, the so-called lapse rate — the rate at which temperatures cool from the surface to the upper atmosphere — is declining under global warming. In other words, global warming tends to warm the upper atmosphere faster than the air near the surface. This in turn means that the sinking air is warmer due to global warming, and thus produces heat waves as it sinks and compresses.

Given that these are the processes that contribute to the formation of a heat wave, and the ways in which global warming affects them, it is clear why once-a-decade heat wave events have started to occur once every few years, and are also more intense.

How does air mass contribute to heat waves?

The other factors that affect the formation of heat waves are the age of the air mass and how far it has travelled. The north-north-western heat waves are typically formed with air masses that come from 800-1,600 km away and are around two days old. Heat waves over peninsular India on the other hand arrive from the oceans, which are closer (around 200-400 km) and are

barely a day old. As a result, they are on average less intense.

In sum, heat waves have a sophisticated anatomy with important implications for how well we can predict them. Nonetheless, early-warning systems can take advantage of the processes, modes of formation, location, and age of the air mass to improve the quality of warnings and also increase how soon they can be issued. Sizeable investments in human and computational resources have already increased India's forecast skills in the last decade.

For reasons that we are yet to fully understand, mortality over India due to heat waves are substantially lower than those in other mid-latitude regions (including potentially significant under-reporting). We should further improve forecast warnings, issue them as soon as possible, and couple them with city-wide graded heat action plans to protect the vulnerable.

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## EPFO SEEKS CENTRE'S NOD TO EXTEND TIME TILL MAY 4 FOR CLAIMING HIGHER PF PENSION



*On strike: Left MPs staging a protest at Parliament premises demanding the implementation of the SC verdict on PF pension. ANI*

*The Labour Ministry, however, has not taken any decision on this matter. The EPFO is yet to streamline the process of online submission, alleges National Confederation of Retirees in a letter*

As the deadline set by the Supreme Court for employees and pensioners who retired after September 1, 2014 to submit the joint options with employers to the Employees' Provident Fund Organisation (EPFO) to claim higher PF pension based on actual salary ends on March 3, the EPFO has approached the Labour Ministry seeking permission to extend the date for submission till May 4. The Ministry, however, has not taken any decision on this matter.

Sources in the EPFO told The Hindu that since several employers' and employees' organisations have approached them demanding extension of last

date, the issue has been referred to the Labour Ministry. "The Labour Ministry will take the final decision," a senior official said.

Union Labour Minister Bhupender Yadav had not answered reporters' questions on the sidelines of a conference of the Employees' State Insurance Corporation (ESIC) about the possibility of extending the deadline of submitting the joint options.

### 'Unrealistic approach'

Meanwhile, president of the National Confederation of Retirees, an All India Federation of Associations of Retired Employees, said in a letter to Central Provident Fund Commissioner Neelam Shami Rao that the EPFO's circulars on implementing the November 4 Supreme Court order on higher PF pension were illogical.

"That the circular dated February 20 has been issued too late and not keeping in mind the deadline of four months stipulated by the Supreme Court. The EPFO is yet to streamline the process of online submission whereas the last date as per stipulated time is March 3, 2023. That the EPFO vide above circulars has made filing of fresh joint option online mandatory without keeping in mind the ground realities and this is totally illogical against the principles of natural justice. Imagine how the poor pensioners who are not tech savvy and have settled down in far-flung areas of the nation in the villages after retirement can file an option online! This is a totally unrealistic approach," he said in the letter. The Centre of Indian Trade Unions (CITU) had also sent a letter to Ms. Rao demanding an extension.

### Link available

The Karnataka Employees' Association, in the meantime, said in a circular to its members that the web link for joint options will be available from Monday on the EPFO website. The Association said the deadline would be extended by two months.

"The last date for submitting joint declaration will be extended by two months. Once the Member/Establishment logs in for uploading joint declaration, the system itself would display the last date for submitting declaration. The EPFO Head Office may not issue any circular in this behalf," the Association said.

## SC ASKS GOVT. WHAT IT HAS DONE TO END MANUAL SCAVENGING



The Supreme Court has directed the government to place on record within six weeks the steps taken by it to implement its nearly 10-year-old judgment to end manual scavenging and prevent future generations from the "inhuman practice" while making entry into sewers without safety gear a crime even in emergency situations.

A Bench led by Justice S. Ravindra Bhat recently took judicial notice of the fact that manual scavenging and deaths of people trapped in sewer lines continue though the practice was banned with the introduction of the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 and the Prohibition of Employment as Manual Scavengers and Their Rehabilitation Act, 2013.

Push for rehabilitation

The top court itself had reinforced the prohibition and directed the rehabilitation of people employed as manual scavengers in its judgment in *Safai Karamchari Andolan And Others vs Union of India*. Justice Bhat, hearing a petition filed by Dr. Balram Singh in person, sought details of steps taken by the Centre following the 2014 order, including rehabilitation of those falling within the definition of 'manual scavengers'; abolition/demolition of dry latrines statewide; status of dry latrines and employment of safai karamcharis in cantonment boards and railways; the nature of equipment used by municipal bodies to mechanise sewage cleaning; and online tracking of sewage deaths and actions taken by authorities, including payment of compensation and rehabilitation of families. The court impleaded the Ministry of Social Justice and Empowerment, the National Commission for Scheduled Castes, the National Commission for Scheduled Tribes as respondents in the case. The court has appointed advocate K. Parameswar as its amicus curiae. The Social Justice Ministry has to file its report with the information in six weeks.

# SMOKE SIGNALS FROM THE RENEWABLE ENERGY SPHERE

*Shankar Nair is a PhD student at the Centre for the History of Science, Technology, and Medicine in King's College London*

The formal launch of the Indian Oil Corporation's patented solar cook-stove at the India Energy Week 2023 (February 6-8, 2023 in Bengaluru as part of the G-20 calendar of events) by the Prime Minister Narendra Modi must be looked at closely from the point of view of India's national energy story. While Mr. Modi claimed the stove would soon reach three crore households within the next few years, Union Minister for Petroleum and Natural Gas Hardeep Singh Puri called it a "catalyst in accelerating adoption of low-carbon options" along with biofuels, electric vehicles, and green hydrogen.

These pronouncements have followed a 99% cut in the liquefied petroleum gas (LPG) subsidy (from the 2022-23 revised estimates) to low-income households in the 2023 Budget even as international fuel prices remain high. The government has claimed that the stove — priced at an eye-watering ₹15,000 — will transform cooking practices, save thousands of crores in LPG cost and forex, cut carbon dioxide emissions, and yield marketable carbon credits.

While past governments have failed to convince women to transform their household energy use through technical innovation, today, we are at an unprecedented crossroads in India's renewable energy history.

**A quest derived from crises**

The quest for renewable and decentralised technology in poor households has closely followed energy crises. Among the government's earliest attempt to transform household energy consumption was the solar cooker of the National Physical Laboratory (NPL), fabricated in the early 1950s, in a period of great uncertainty in food security and energy self-sufficiency. The Nehru government's gambit on state-led hydroelectric power generation was a response to this crisis, but it failed to address the household energy consumption of the rural poor.

The solar cooker was met with international press coverage and newsreels in the cinema. But the 'indigenous' device, based on a 19th century innovation, was dead in the water. Apart from its prohibitive price, it cooked very slowly. As mathematician and historian D.D. Kosambi quipped, "Tried by ordinary mortals away from newsreel cameras, [the cooker] just refused to work."

The debacle caused the NPL to steer clear of populist 'applied science' for the remainder of K.S. Krishnan's directorship. Parallel efforts to improve the traditional stove proved similarly ineffective. For example, the Hyderabad Engineering Research Laboratories made a 'smokeless chulha' in 1953, the brainchild of its director S.P. Raju, who wished to bring "smokeless kitchens for the millions". These stoves incorporated traditional cooking practices and locally sourced materials, but surveys documented the chulha's limited uptake among rural women as it was found wanting in its design and durability. Thereafter, the oil crisis of 1973 and an emerging forest conservation movement trained government attention on stoves that used firewood and cow dung. The international focus on "appropriate technologies" also reinforced the belief that for the energy needs of the poor, small was beautiful.

The 'improved' stove

Accordingly, in the 1980s, the government turned to "improved chulhas" in its national energy policy. The programme sought to check deforestation by reducing fuelwood consumption and also benefit women's health and finances. It was launched in 23 States and five Union Territories. An extensive federated system was set up, from nodal State agencies to "self-employed workers", to fulfil targets set by the national administration.

The sole incentive to adopt the "improved chulhas" was a 50% subsidy. The Ministry of Non-conventional Energy Sources (renamed as Ministry of New and Renewable Energy) claimed that the chulha had been adopted in over 32 million homes, out of a potential 120 million, by 2001.

But, by the next year, the programme had folded up. The reasons for failure included the stove's construction, high maintenance costs, and alleged bureaucratic corruption. State governments had little autonomy apart from meeting pre-set targets while workers charged with installations were underpaid.

Worse, a stove that sought to free women from drudgery now demanded they clean the chimney, break wood pellets into smaller pieces, and bear with only a marginal reduction in smoke. A National Council of Applied Economic Research survey of 10,000 villages found that the average annual dropout rate for the new chulha was 17%. Seventy officials connected with the scheme were subsequently suspended.

Despite this outcome, the United Progressive Alliance regime repackaged the scheme in 2009 as the 'National Biomass Cookstove Initiative', which has continued to totter on as the 'Unnat Chulha Abhiyan' from 2014.

A 2004 report noted that cooking constituted 80% of a rural Indian household's energy consumption. The International Energy Agency found that 668 million people in India depended on biomass for cooking and lighting in 2013, making India the largest consumer of fuel wood for household use. Today, despite the purported success of the government's LPG scheme, unprecedented inflation in fuel prices and the gradual withdrawal of subsidies have forced women to resort to the chulha with all its hazards. Interventions then and now

There are obvious parallels between the government's boost to Indian Oil's solar stove and this history: a public-sector innovation with supposedly revolutionary impact after a fuel crisis; a gulf between state-subsidised schemes and its practical implementation; and the absence of any long-term goal to improve rural incomes despite the correlation between per-capita income and type of energy consumption.

But the similarities end here. While older interventions in the renewable sphere were led by the state and motley non-governmental organisations, which provided shallow fixes to deep social problems, today, the real action is elsewhere. Public money is now funnelled into heavily subsidised large-scale private projects that produce green energy largely for commercial use. Today, technical innovation in renewable energy policy, despite its pretensions, serves to entrench a highly uneven energy landscape.

## ARE MENSTRUAL LEAVE POLICIES IMPLEMENTED GLOBALLY?

*Why did the Supreme Court refuse to hear a petition regarding menstrual leave for workers and students? Which are the States in India that have a menstrual leave policy?*

The story so far:

On February 24, the Supreme Court refused to entertain a PIL about menstrual leave for workers and students across the country, calling it a policy matter. It highlighted that there were different "dimensions" to menstrual pain leave.

**What is menstrual leave?**

Menstrual leave refers to all policies that allow employees or students to take time off when they are experiencing menstrual pain or discomfort. In the context of the workplace, it refers to policies that allow for both paid or unpaid leave, and time for rest. More than half of those who menstruate experience pain for a couple of days a month; for some it is debilitating enough to hamper daily activities and productivity.

A 2017 survey of 32,748 women in the Netherlands published in the British Medical Journal found that 14% of them had taken time off from work or school during their periods. The researchers estimated that employees lost around 8.9 days' worth of productivity every year due to menstrual-cycle related issues.

What are the arguments against it?

Not everyone — not even all those who menstruate — is in favour of menstrual leave. Some believe that it is not required and that it will backfire and lead to employer discrimination against women. For example, in response to the plea filed in the Supreme Court, a caveat was filed by law student Anjale Patel, represented by advocate Satya Mitra, highlighting a potential issue with menstrual leave. "The law student says that if you compel employers to grant menstrual pain leave, it may operate as a de facto disincentive for employers to engage women in their establishments... This has a policy dimension," Chief Justice Chandrachud observed.

What are some of the global menstrual leave policies?

On February 16, among a host of other sexual health rights, Spain became the first European country to grant paid menstrual leave to workers. Workers now have the right to three days of menstrual leave — expandable to five days — a month.

In Asia, Japan introduced menstrual leave as part of its labour laws in 1947, after the idea became popular with labour unions in the 1920s. At present,

under Article 68, employers cannot ask women who experience difficult periods to work during that time. Indonesia too introduced a policy in 1948, amended in 2003, which states that workers experiencing menstrual pain are not obliged to work on the first two days of their cycle. In the Philippines, workers are permitted two days of menstrual leave a month. Among African nations, Zambia introduced one day of leave a month without needing a reason or a medical certificate, calling it a Mother's Day. Are attempts being made in India?

Among State governments, Bihar and Kerala are the only ones to introduce menstrual leave to women. The Bihar government, then headed by

Lalu Prasad Yadav, introduced its menstrual leave policy in 1992, allowing employees two days of paid menstrual leave every month. Recently, Kerala Chief Minister Pinarayi Vijayan had announced that the State's Higher Education department will now grant menstrual and maternity leaves for students in universities that function under the department.

Additionally, Congress MP from Kerala, Hibi Eden announced that he will be moving a private member's Bill seeking the right to paid leave during menstruation for working women, menstrual leave for female students, and free access to menstrual health products, in the ongoing Budget session of the Parliament.



The advertisement features a smartphone with a red book cover on its screen. The book cover has a white spiral logo and the text 'BOOK ONLINE'. The phone's screen also shows the time '9:30' and the day 'Thursday'. A Wi-Fi signal icon is visible above the phone. To the right of the phone, the Vedhik IAS Academy logo is displayed, consisting of a red spiral icon and the text 'VEDHIK IAS ACADEMY' with the tagline 'The New Learning Mantra' below it. The main headline 'MASTER THE NEW LEARNING MANTRA' is written in large, bold, red letters. At the bottom of the advertisement, the website address 'www.vedhikiasacademy.org' is provided. The background is a light yellow gradient with a subtle geometric pattern.

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