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**DAILY NEWS ANALYSIS** 

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ECOLOGY

# RETALIATORY STRIKE BY VILLAGE GUARDS LEAVES NINE DEAD IN MANIPUR



No let-up: People attend a funeral procession at Khamenlok village in Manipur on Wednesday. PTI

T he dead were part of a mob which had been targeting villages over the past three days; mobile towers blown up, roads blocked, say police

Nine Meitei men were killed and 10 injured in Khamenlok, a Kuki village in Imphal East district of Manipur, on Tuesday night, the police said.

The men, who were part of a raiding mob, were likely ambushed by armed Kuki village guards between 10 p.m. and 10.30 p.m. in a retaliatory strike near Aigejang village. The mob of nearly 3,000, some carrying sophisticated weapons, entered Kuki villages in Kangpokpi district over the past three days and destroyed homes, a police source said.

Roads were blocked by women groups and mobile towers blown up so that reinforcements from the district headquarters in Imphal East, around 18 km away, could not reach the site as the Meitei mob continued the rampage.

The Central security forces and a column of the Gorkha Regiment

deployed in Kangpokpi were outnumbered by the mob. "We couldn't have fired as many people could have been killed. The Army too is not trained to handle civilians. We had been receiving inputs about civilians marching towards the Kuki villages, but they could not be stopped as they were in large numbers. Some of them, it seemed, were on a suicide mission." the source said.

Shivakanta Singh, Superintendent of Police, Imphal East, said the nine men had bullet wounds.

"Investigations are on to find out if they were killed by village guards or suspected Kuki militants. All the nine deceased are Meitei. We couldn't find any arms on them. The nearest Meitei village is three kilometres away. The deceased belong to different villages in Imphal East," Mr. Singh told The Hindu. The police source said that as Kuki villages in Khopibung, Khamenlok, Chullouphai and Aigejang continued to be torched, several meetings were held with civil society organisations and village guards to salvage the situation.

"From Tuesday afternoon, the civil society groups stopped responding and a counter-attack was likely planned by the Kuki groups. It was a retaliatory attack," the source said.

A police officer said many Meitei men were said to be stuck in the hills. "Efforts are on to rescue them," the officer said. Kangpokpi is a Kuki-dominated area, while Imphal East is a Meitei-majority area. Since the ethnic violence between the two communities erupted on May 3, the foothills, the areas bordering Kuki and Meitei settlements, have been declared as buffer zones where Central security forces have been deployed.

### Minister's official residence torched

The official quarters of Manipur Minister Nemcha Kipgen in the Lamphel area in Imphal West district was set on fire by unidentified people on Wednesday night, an official said. No one was present in the quarters of Ms. Kipgen, a Kuki community leader, when it was torched.

# GUJARAT ON ALERT WITH CYCLONE BIPARJOY SET TO MAKE LANDFALL TODAY

With Cyclone Biparjoy approaching the Gujarat coast for a likely landfall in less than 24 hours, State authorities intensified their efforts, shifting more than 70,000 people to safety on Wednesday and dispatching food packets to shelters.

The India Meteorological Department (IMD) said that Biparjoy was set to change its path on Wednesday and begin moving north-eastwards towards Kutch and Saurashtra, but would still make landfall as a very severe cyclonic storm with wind speeds ranging from 125 kmph to 135 kmph, gusting to 145 kmph from morning till evening on Thursday.

"For the past six hours, it has become very slow, practically stationary. This is an indication that the direction of the movement of the cyclone will change now. We are expecting that it will move towards the northeast and will hit Saurashtra, Kutch and the adjoining Pakistan [coast] between Mandvi and

Karachi, near Jakhau Port," IMD chief Mrutyunjay Mohapatra said in Delhi.

The IMD has issued a red alert for the six coastal districts which are likely to bear the brunt of the storm after it reaches land. It predicted extremely heavy rainfall accompanied by strong winds in the coastal parts of the Saurashtra-Kutch region, especially in the districts of Kutch, Porbandar and Devbhumi Dwarka. Heavy rain lashed the coastal areas on Wednesday as a prelude to the impending cyclonic storm; there have already been three casualties in Saurashtra.

The State authorities have deployed 18 teams of the National Disaster Relief Force (NDRF) and 12 teams of State Disaster Relief Force (SDRF) in the coastal districts. Each team has 35 to 40 people equipped with tree cutters, electric saws, inflatable boats, basic medicines and relief items.

## SAT STAYS IRDAI ORDER ON SAHARA GROUP'S LIFE BUSINESS

The Securities Appellate Tribunal has stayed insurance regulator IRDAI's June 2 order transferring the life insurance business of Sahara India Life Insurance Co. (SILIC) to SBI Life Insurance Company.

Ruling on an appeal filed by the Sahara Group entity, the tribunal noted that IRDAI had issued a slew of directions for transferring the policies to SBI Life as well as the books of accounts and bank accounts. "We stay the effect and operation of the impugned order dated June 2 till further orders of this tribunal. The exemption application and the stay application are disposed of," SAT said in its order.

### Time to reply

It allowed IRDAI three weeks time to file a reply.

"Rejoinder may be filed within three weeks... the matter would be listed for admission and for final disposal along with [a] connected appeal on August 3," the SAT said in the order citing the facts leading to the present appeal by Sahara India Life.

### Two lakh policies

The insurance regulator, in its order earlier this month, said: "SBI Life shall take over the policy liabilities of around two lakh policies of SILIC, backed

by the policyholders' assets, with immediate effect".

Policy data of Sahara India Life Insurance has revealed that the company's portfolio was showing a 'run-off trend'. The financial position had been deteriorating with rising losses and higher percentage of claims to total premium, IRDAI had observed.

# CHINA 'A PARTNER, COMPETITOR AND SYSTEMATIC RIVAL', SAYS GERMAN SECURITY STRATEGY

Germany released its first ever National Security Strategy (NSS) on Wednesday, identifying China as a "partner, competitor and systematic rival". Citing and condemning the invasion of Ukraine, the document says, for now, Russia is the "most significant threat to peace and security" in the Euro-Atlantic area.

The document had been repeatedly delayed owing to reported disagreements between the coalition partners in the German government — Chancelor Olaf Scholz's Social Democratic Party, the Greens and the Free Democrats.

The strategy noted that the world is becoming increasingly multipolar and marked by rising systemic rivalry. While most countries follow the United Nations Charter and are committed to international law, due to their perceptions of systemic rivalry, "some states seek to undermine this order and give effect to their revisionist notions of spheres of influence", the document said.

"In this international context, China is a partner, competitor and systemic rival. We see that the elements of rivalry and competition have increased in recent years, but at the same time China remains a partner without whom many of the most pressing global challenges cannot be resolved," the German government said. A strategy focused exclusively on China is in process but is not expected to be released before bilateral talks with Beijing on June 20. The strategy said the country's security environment was at a turning point or Zeitenwende with these changes. Mr. Scholz had used 'Zeitenwende' in a speech on February 27, 2022, in the context of Russia's invasion of Ukraine. The NSS also announced a shift towards an integrated security policy for Germany.

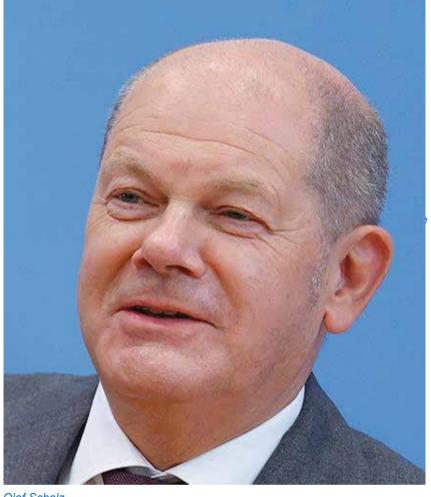
"This is a major change being carried out by us in Germany in how we deal with security policy," Mr. Scholz said while unveiling the strategy, as per a Reuters report.

"...Security also means making sure our heating works in winter," German Foreign Minister Annalena Baerbock wrote in her note accompanying the document, saying integrated security was not just about equipping the Army but also taking account of the freedom of the media landscape and the reliability of supply chains.

The strategy also stresses the importance of combating climate change and says Germany is committed to the universallity of human rights and rejects any attempt to "downplay" these rights.

It noted that actors use global fragility to consolidate their own power and increase their spheres of influence and that the Indo-Pacific "remains of special significance" to Germany and Europe.

The strategy articulates a watered-down version of the 2% of GDP



June -

Olaf Scholz

defence expenditure target set by the North Atlantic Treaty Organisation (NATO) security alliance, by saying it will achieve this on average overa multiyear period. However, German Finance Minister Christian Linder said on Wednesday that his country would reach the 2% annual target next year.

## **MAY WHOLESALE PRICES DROP 3.48%**

## Falling prices

Wholesale prices continued to fall for yet another month driven by a high base, with all categories of goods reporting deflation



Wholesale inflation had hit a record high of 16.6% in May last year

- Fuel and power prices shrank 9.2% in May helped by a reduction in fuel taxes
- Deflation is likely to persist in June too as WPI inflation was 16.2% in June 2022

Wholesale price index remains in deflationary zone for a second month in a row on high base; economists note that apart from base effects, there has been a sequential decline in wholesale prices on a seasonally-adjusted basis since February

India's wholesale prices remained in deflationary mode for the second month in a row in May, with prices falling 3.48%, and all categories reporting a contraction in prices compared with May 2022, when inflation had hit a record high of 16.6%.

The effects of a high base from last May, when taxes on petroleum products were slashed near the month-end, dragged fuel and power prices lower into a 9.2% deflation, while manufacturing products' prices shrank 3%. Primary articles recorded a deflation of 1.8% and the wholesale food index dropped 1.6% compared with a 0.2% rise in April 2023, when overall wholesale prices had recorded a 0.92% deflation.

"Decline in the rate of inflation in May 2023 is primarily contributed by fall in prices of mineral oils, basic metals, food products, textiles, non-food articles, crude petroleum & natural gas, and chemical & chemical products," the Commerce and Industry Ministry said in a statement.

While base effects partly contributed to the decline, the sequential momentum had been weaker than expected, IDFC First Bank said in a note. On a seasonally-adjusted basis, the index had been declining (month-on-month) since February, it added.

"Importantly, after a gap of 26 months, industrial raw material inflation is lower than non-food manufacturing inflation. Producer pricing power has improved as domestic demand conditions remain resilient," the bank added. ICRA chief economist Aditi Nayar said this was the lowest WPI inflation since

November 2015 and deflation was likely to persist at about 2.5-3.5% in June due to base effects from last year, when wholesale prices rose 16.2%.

The U.S. Federal Reserve voted to pause its aggressive campaign of rate hikes despite 'elevated' inflation, while indicating another sharp increase could be needed before year end.

After 10 straight increases since March 2022, the Fed opted to hold the benchmark lending rate between 5%-5.25%. Despite aggressive monetary tightening, annual inflation remains stubbornly above the Fed's long-term goal of 2%, while unemployment is close to record lows.

## SBERBANK LETS INDIVIDUALS IN RUSSIA OPEN **RUPEE ACCOUNTS**

Russia's dominant lender on Wednesday said individuals could now open accounts in Indian rupees, expanding the range of foreign currencies available as Moscow strives to reduce dependency on the U.S. dollar and euro. "As Sberbank has highlighted, the bank supports the trend of de-dollarisation and constantly increases the number of foreign currencies available to clients," Sberbank said in a statement.

Sberbank has more than 100 million retail clients and already offers deposits in China's yuan and UAE dirhams. Rupee accounts would be available from Wednesday, it said.

In a separate statement, Sberbank said it would raise rates on dirham deposits by 100 basis points for a six-week period from Wednesday.

The bank's finance chief said earlier that Sberbank will issue bonds in Chinese yuan this year if an opportunity arises.

Rival VTB on Wednesday said yuan savings would make up about a quarter of Russia's overall foreign exchange portfolio by end-2023, rising to 45% in 2024 and accounting for two thirds in 2025.

"It is the Chinese currency that today acts as the main alternative, in fact, to the departing dollar and euro and forces banks to compete more actively for clients," Deputy President-Chairman of VTB's board Anatoly Pechatnikov said.





### **BASE BOOST**

### Inflation should not be allowed to erode the purchasing power of the poor

The pace of retail inflation slowed to a 25-month low of 4.25% in May, propelled largely by the elevated level of year-on-year price gains in May 2022, when the month's print had exceeded 7%. Headline inflation extended its decelerating trend for a fourth month, in some measure validating the Reserve Bank of India (RBI)'s decision to pause monetary tightening till it could assess the impact of past interest rate increases. Still, month-on-month, the provisional Consumer Price Index (CPI) showed price gains at 0.51% in May, unchanged in pace from April's six-month high sequential inflation reading. A key contributor to the deceleration in year-on-year price gains in May was the inflation in food items, which slowed by 93 basis points to 2.91%. Oils and fats contributed to the easing in food item prices, posting a 16% deflation. A continuing deflation in the cereals and products category, which has an almost 10% weight in the CPI, also helped. Cereals inflation eased by more than 100 basis points from April's print to 12.7%. The risk of reading too much into the year-on-year moderation in inflation was, however, most evident in the food and beverages group that accounts for 46% of the CPI, with nine of its 12 sub-groups witnessing sequential increases in price levels.

Crucial food items including vegetables and the key protein sources of milk, meat and pulses all posted appreciable quickening in prices from a month earlier. Vegetable prices, which deflated 8.2% from the year-earlier levels, logged 3.35% sequential inflation, a pace that was almost twice April's 1.7% month-on-month gains. Milk and dairy, and pulses are the other food categories of concern. While year-on-year inflation in milk hovered close to the 9% level in May, sequentially too the reading was at a three-month high at 0.67%. Prices of pulses, the primary protein source in vegetarian consumers' diets, have also been rising at a disconcerting clip, with the year-on-year rate quickening by 128 basis points to a 31-month high of 6.56%. Sequentially, the category that includes lentils such as tur and urad dal, posted 1.21% inflation. Acknowledging the sensitivity of dal prices, especially when key State elections are due, the Centre, on June 2, imposed limits on the holding of stocks of urad and tur till October 31. With households' perception of current inflation found to be running at 8.8%, and three-month and year-ahead forecasts pegging price gains at more than 10% in the May round of the RBI's inflation expectations survey, policymakers have their task cut out to convince consumers that inflation will be tamed so as to not erode their purchasing power and savings.

## TENUOUS PLEA

### Bipartisanship is in short supply in Trump era, especially after indictments

Former U.S. President Donald Trump has pled not guilty to 37 charges related to wilfully withholding classified documents from the White House and obstructing justice in their return. Of these charges, 31 relate to Espionage Act violations, some with a potential prison sentence of 20 years. After he was arraigned in court and entered his plea in Miami, Florida, Mr. Trump was released on bond with the condition that he would not be permitted to discuss the case with a specific list of witnesses in the case. This is the second indictment that the 45th President has been slapped with, following a prior one relating to allegations that

he paid hush money to an adult film star Stormy Daniels, potentially in violation of federal campaign finance laws, a felony. The latest charges relate to more than 100 classified documents discovered at his private residence in Florida, in August, some allegedly pertaining to defence and weapons capabilities of the U.S. and other countries. According to prosecutors, Mr. Trump hoarded and hid the files, and then went on to engage in a conspiracy to obstruct the FBI's inquiry, with the help of an aide.

Unsurprisingly, both indictments have been used by the Trump campaign to fuel

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its mobilisation efforts, including not only repeated messaging about a "witch hunt" but also misinformation regarding the alleged culpability of the U.S. President, Democrat Joe Biden, and Mr. Trump's 2016 Democratic rival and former Secretary of State Hillary Clinton. It is true that classified documents were also discovered on properties linked to Mr. Biden in Delaware, including some dating back to his time as Senator and Vice President, and in the Indiana residence of former Republican Vice President Mike Pence. Yet, no conclusion has been reached by the authorities regarding ongoing investigations into these potential breaches. Meanwhile, every turn of the screw in the Trump cases is further being used to vitiate the political ecosystem with an eye on the 2024 presidential election. The electorate was already bitterly polarised on hot-button

issues — from the economy and jobs to reproductive rights and immigration reform. Barring rare exceptions, such as the recent coming together of Republicans and Democrats to raise the national debt ceiling and narrowly avoid a spiralling credit ratings crisis, bipartisanship has been in scarce supply. The post-COVID economic rebound has been dampened by inflationary fears, and much work remains unfinished to fortify public health systems. The law will take its course on every investigation into potential wrongdoing by political leaders. Even so, as the U.S. enters the deep end of the campaign cycle, it would behove all parties to show restraint in putting out extremist views and focus on the greater good of all Americans.

## THE NEXT FINANCE COMMISSION WILL HAVE A TOUGH TASK

Duvvuri Subbarao is a former Governor of the Reserve Bank of India

The government will appoint a Finance Commission in the next few months to determine how much of the Centre's tax revenue should be given away to States (the vertical share) and how to distribute that among States (the horizontal sharing formula).

In the pre-reform period, the Finance Commission recommendations were not that critical because the Centre had other ways to compensate States, or indeed to play favourites, through plan financing and public sector undertaking (PSU) investments. Post-reforms, fresh PSU investments have thinned out and the Planning Commission was abolished in 2014 with the result that the Finance Commission remains virtually the sole architect of India's fiscal federalism. Its responsibility and influence are, therefore, much larger.

### Issue will be about horizontal distribution

Currently, the Centre gives away 41% of its tax pool to the States. For sure, States will demand that this proportion be raised, but I do not see much room for stretching this further given the Centre's expenditure needs and the constraints on its borrowing limit. Therefore, much of the debate will centre on the horizontal distribution formula.

When the previous Finance Commission was appointed in 2017, its terms of reference became quite contentious because it was asked to take into account the 2011 population figures in determining the expenditure needs of a State. This was a departure from the standard practice until then of mandating Finance Commissions to use the 1971 population numbers so as not to give a perverse incentive to States to neglect family planning with an eye on a higher share of devolution. States which had done well in stabilising population growth rates, typically the southern States, protested against this change in the base year, calling it a 'penalty for good performance'.

A similar conflict arises with regard to revenue deficit grants that the Finance Commission awards to States which remain in deficit on the current account even after tax devolution. In theory, revenue deficit grants have a neat rationale — that every State in a country should be able to provide a minimum level of service to its residents even if it involves an element of cross-subsidisation. The worry is that this too has become a perverse incentive. Why bother raising revenues on your own when the Finance Commission will compensate you?

Historically, Finance Commissions have struggled to determine how much a State's deficit is due to its fiscal incapacity and how much is due to fiscal irresponsibility. They have tried to tweak the distribution formula to support deficit States without penalising responsible States, a mathematically impossible task since you cannot give more to a State without giving less to another. The net result is that every horizontal distribution formula has been criticised as being inefficient or unfair or both.

These faultlines across States have in fact deepened in recent years along political, economic and fiscal dimensions. When the Bharatiya Janata Party (BJP) lost the Karnataka election last month, many political commentators read that as a north-south divide, with the BJP being confined to the northern States while the Opposition parties rule the southern States. Similarly, many headline numbers suggest that the southern States of the country are doing better in terms of infrastructure, private investment, social indicators and the rule of law, which has put them on a virtuous cycle of growth and prosperity and widened the north-south gap.

The bottom-line though is that it is in the very nature of horizontal

distribution that richer States compensate poorer States. How to ensure that this happens without deepening the divide will challenge the government in defining the terms of reference of the Finance Commission, and of the Finance Commission itself in delivering on those terms of reference. Cesses and surcharges

The terms of reference of the Finance Commission enjoin it to take into account the expenditure needs and revenue earning capacity of the Centre and States. I believe the forthcoming Finance Commission should use this leverage to focus on two issues in particular.

The first is the egregious practice by the Centre of increasingly resorting to a levy of cesses and surcharges rather than raising taxes. A white paper released by the Tamil Nadu government a couple of years ago pointed out that the proportion of cesses and surcharges in the Centre's total tax revenue had nearly doubled from 10.4% in 2011-12 to 20.2% in 2019-20.

There is a perverse incentive in operation here. The straightforward option for raising revenues is to raise taxes, but if the Centre does that, it has to part with 41 paise to States. On the other hand, if it raises the additional rupee by way of a surcharge, it gets to keep all of it. When the Constitution was amended in the year 2000 giving States a share in the Centre's total tax pool, the implicit understanding was that the Centre will resort only sparingly to cesses and surcharges, and not as a matter of routine as has become the practice. As a result of this breach of understanding, States have felt cheated out of their legitimate share of national tax revenue. The next Finance Commission should lay down guidelines for when cesses and surcharges might be levied, and also suggest a formula to cap the amount that can be raised.

### Restraint on freebies

The second issue of focus for the Finance Commission should be government spending on what has come to be called freebies. All political parties are guilty on this count, some more than others, but trying to apportion blame will be a wrong start.

In a poor country, where millions of households struggle for basic human needs, it sounds cruel to argue against safety-nets for the poor. But it is precisely because India is a poor country, that we need to be more circumspect about freebies.

In theory, the restraints imposed by the Fiscal Responsibility and Budget Management (FRBM) Act should have acted as a check on such populist spending, but governments have found ingenious ways of raising debt without it appearing in the budget books. It is not easy to unambiguously define a freebie, and any check on this will be contested as infringing on the sovereignty of elected governments. Nevertheless, the next Finance Commission should bite the bullet in the interest of long-term fiscal sustainability and lay down guidelines on the spending on freebies.

After the BJP lost the Karnataka election, the Prime Minister said that the guarantees offered by the Congress in Karnataka were impossible to implement, and if taken forward, 'the country and the State concerned will become bankrupt.' Strong words indeed. In the State Assembly elections to be held later this year, the Prime Minister should walk the talk and invest his political capital to show that the promise of good governance can trump the lure of freebies.

That will embolden the Finance Commission to formalise a mechanism for a restraint on freebies.

## WE AIM TO INSPIRE YOU

## MALE-CENTRIC MEDICINE IS AFFECTING WOMEN'S HEALTH

Nishtha Gautam a Delhi-based author and academic, is the co-editor of the volume on strategic affairs, 'In Hard Times: Security In a Time of Insecurity'

"If you were a young boy, I could have offered you a bouquet of medicines. Unfortunately, for both of us, you are a lovely young girl," said my daughter's neurologist, writing out her prescription. And then he began to explain the possible side-effects, some mild, some severe. Exactly three decades ago, the U.S. National Institutes of Health (NIH) Revitalization Act of 1993 mandated the inclusion of "women and minorities" in clinical trials in a bid to reduce health disparities. Yet, to date, the male model of medicine is thriving, and so is the tendency of treating women as smaller men despite a growing body of research insisting on physiological differences (beyond the reproductive organs) between the sexes. The genetic and epigenetic differences between men and women are also extensively documented.

### Generic drugs, trials, mental health

In India, the "pharmacy of the world", the gender disparity in clinical trials has even bigger implications, thanks to generic drug production and consumption. It has been demonstrated in various studies that women's bodies respond differently to the components of generic drugs.

Professor Cassandra Szoeke, Director of Healthy Ageing Program at the University of Melbourne, Australia, says that thanks to the recent inclusion of women in clinical trials for generic medicine, we now know that "nearly one-fifth of medications showed a difference in the active dose between men and women". Women have been either overdosing, as in the case of Zolpidem, a common sleep medicine, or not getting enough, as in the case of several pain medicines, for decades now thanks to their underrepresentation in clinical trials.

It is not just about treatment but also testing and diagnosis where women have been getting a rough deal. Take, for instance, mental health. According to a study conducted in Tamil Nadu by Nobel laureates Abhijit Banerjee and Esther Duflo, along with their research partners, "26 per cent of men and 31 per cent of women aged 61-70 have symptoms indicating a high likelihood of depression".

The study firmly notes that depression rates and the prevalence of anxiety are higher for women than for men worldwide in general. One can add to this a study on human capital conducted by Ernst R. Berndt and others that states that women with an early onset of depression "are less likely to obtain college degrees and less likely to pursue postgraduate degrees". We see the vicious cycle of women's underrepresentation here.

Like depression, cardiac issues are now acknowledged as having a

slightly more prevalence in women. Yet, they continue to be diagnosed and treated like 'lesser men'. Study after study demonstrates that women are less likely to receive appropriate medications, diagnostic tests and clinical procedures even in developed countries such as Canada and Sweden. The stereotype of the "hysterical woman" continues to haunt women even when they need urgent clinical interventions.

### Gaps that can be linked to apathy

The exclusion of women from clinical trials and research projects addressing sex-agnostic critical illnesses such as cancer and heart disease has resulted in a limited understanding of sex-specific symptoms and responses to treatment. When it comes to sex-specific illnesses such as breast or endometrial cancers, polycystic ovarian syndrome, and pregnancy-related issues, there are serious gaps in research that can only be explained by an apathy towards "women's only" issues. United States-based studies show that the funding received for research in migraine, endometriosis and anxiety disorders is much lower in proportion to the burden of these illnesses.

'If men menstruated there would be several multi-million dollar projects studying cramps' — this meme is not funny any more when you look at mortality numbers because of poor reproductive health. World Health Organization data from 2017 show that "every day about 808 women die due to complications of pregnancy and childbirth". Almost all of these were preventable but occurred "due to interaction between pre-existing medical conditions and pregnancy". Pregnant women are further down the ladder of representation in clinical trials and research.

In an equitable world, women would be accepted as an individual category, with race, age and class as subcategories. And an equal amount of time and resources would be spent in finding and providing treatment and health care. How can women even aspire to have access to equal health care when their ailments are not even understood?

#### For India to note

India has several progressive policies with respect to women's health including the right to abortion. It is time for policy intervention in the space of sex-specific research in medicine and the implementation of outcomes.

India's G-20 presidency may be an opportune time to highlight this issue in alignment with Sustainable Development Goals on women's health.

### THE STATUS OF TRANSGENIC CROPS IN INDIA



Sneak attack: A pink bollworm infestation in the Bt cotton fields in Andhra Pradesh. MURALI KUMAR.K

What are the different processes to regulate transgenic crops in India? Why did States like Gujarat, Maharashtra and Telangana defer the proposal to test Cry2Ai cotton? What is the next move of the Genetic Engineering Appraisal Committee? How long before there is greater acceptance for testing genetically modified crops?

Three States, Gujarat, Maharashtra and Telangana, have deferred a proposal, approved by the Centre's Genetic Engineering Appraisal Committee (GEAC), to test a new kind of transgenic cotton seed that contains a gene, Cry2Ai, that purportedly makes cotton resistant to pink bollworm, a major pest. This conflict shows that a broad acceptance of genetically modified crops continues to be elusive.

### What is the status of transgenic crops in India?

There are an array of crops — brinjal, tomato, maize, chickpea — in various stages of trials that employ transgenic technology. However, cotton remains the only transgenic crop that is being commercially cultivated in India. After a long hiatus, the GEAC, the apex technical body charged with evaluating proposals for testing genetically modified (GM) seeds, approved the environmental release of Mustard hybrid DMH-11 and its parental lines, during its 147th meeting on 18 October, 2022 for seed production and testing. This is one step away from full commercial cultivation.

However, the GEAC, which is under the Union Environment Ministry, isn't the final arbiter in the case of GM crops. There is a long-standing litigation in the Supreme Court on the permissibility of allowing transgenic food crops in farmer fields based on petitions filed by activist Aruna Rodrigues and Gene Campaign, an NGO. Following the GEAC approval for DMH-11, the petitioners approached the apex court asking for a stay on the release of the crop because it would encourage farmers to spray herbicides, which are banned in India. Hearings on this case are still ongoing. In 2017, the GEAC had accorded a clearance for GM mustard, but went back on its decision and imposed additional tests. In 2010, the GEAC had approved GM brinjal, but this was put on an "indefinite moratorium" by the United Progressive Alliance government.

### What is the process of regulating transgenic crops in India?

The process of developing transgenic crops is an elaborate one as inserting transgenic genes into plants to elicit a sustained, protective response

is a mix of both science and chance. There are multiple safety assessments done by committees before they are cleared for further tests in open plots of lands, which are located at either agricultural universities or are plots controlled by the Indian Council for Agricultural Research (ICAR). A transgenic plant can apply for commercial clearance, only after it has proven to be demonstrably better than comparable non-GM variants on claimed parameters (for instance, drought tolerance or insect resistance) without posing ecological harm to other species that may be being cultivated in the vicinity. Open field trials often take place over multiple crop seasons, and types of geographical conditions, to assess its suitability across different States.

### Why have Gujarat, Maharashtra and Telangana rebuffed the GEAC?

The cotton seed has been developed by the Hyderabad-based Bioseed Research India with Cry2Ai which makes it resistant to pink bollworm. The first generations of transgenic cotton had been developed to inure cotton against a more widespread pest called American bollworm. The Cry2Ai seed has passed preliminary, confined trials and was recommended by the GEAC to be tested in farmer's fields at Telangana, Maharashtra, Gujarat and Haryana. Agriculture being a State subject in most cases, companies interested in testing their seeds need approvals from the States for conducting such tests. Only Haryana gave permission for such tests.

This was after the GEAC in October 2022 sent letters to all States to "communicate their views/comments" within two months on the proposal.

Telangana requested GEAC for a 45-day extension to consider the proposal. On May 16, Telangana responded that it would not allow trials to be conducted in the current cropping season. Gujarat later responded that the proposal was "unacceptable" to them, but did not furnish reasons.

Following these responses, the GEAC has asked the Department of Biotechnology (DBT) and the ICAR to "jointly organise capacity-building activities with regard to GM crops for apprising the State/UT Government(s) about the technology involved and the regulatory framework in place for evaluation of these GM crops." Activist groups objected to the GEAC asking States to furnish reasons for disapproval and said that it was tantamount to a "biased lobbying approach", according to Kavitha Kuruganti, a member of the Coalition for a GM-free India.

Are there changes in the offing in process of regulation of GM crops? The GEAC consists of a panel of plant biotechnologists and is headed by a senior official of the Environment Ministry and co-chaired by the scientist of the DBT. To resolve the issue of States not according approvals on testing, because of differing attitudes to GM crops, the GEAC is considering a proposal by the DBT to declare some regions across India as 'notified testing sites'. There are 42 such proposed sites and, if it goes through, companies wanting to conduct trials of GM crops at these locations won't need the permission of States for trials.

## WHY DID THE GOVT. IMPOSE A CEILING ON WHEAT STOCKS?

Has there been a decline in the production of wheat in the country? How is this going to manage the overall food security? Will it stabilise the price of the essential commodity and prevent "unscrupulous speculation"?

On June 12, in a move endeavouring to manage the "overall food security and to prevent hoarding and unscrupulous speculation", the Union Government imposed limits on stock of wheat that can be held by traders, wholesalers, retailers, big chain retailers and processors. The objective here is to stabilise the price of the essential commodity by steadying supply. Secretary at the Department of Food and Public Distribution Sanjeev Chopra stated that there was enough stock of wheat in the country. The order stood effective with immediate effect until the end of March next year. What are the limits?

The permissible stock that traders/ wholesalers can hold is 3,000 metric tonnes. Retailers and big chain retailers can hold up to 10 metric tonnes at each of their outlets, while the latter can hold up to 3,000 metric tonnes at all their depots combined. Processors would be able to stock 75% of the annual installed canacity.

The mentioned entities are expected to declare their stock positions and update them regularly on the Department of Food and Public Distribution's portal. If the stock held by them are higher than the limit, they will have 30 days from the day of issue of notification to bring the same under the prescribed limits.

### What are the additional orders?

The government has also decided to offload 15 lakh tonnes of wheat from the central pool via the Open Market Sale Scheme (OMSS) to flour mills, private traders, bulk buyers, manufacturers of wheat products through e-auction. The idea is to control retail prices of wheat. They would be sold in lot sizes of 10 to 100 metric tonnes. This would be the first tranche, and more could be released depending on the prices and demand. The Food Secretary also announced that the government would offload rice under OMSS to moderate its prices. The quantity of the first phase of the e-auction (for rice) would be decided shortly.

### Why is there a concern?

The moves come in the backdrop of rising concerns about the overall wheat output taking a hit after the unseasonal rains and hailstorms towards the end of March and early April alongside hotter temperatures in February. Lower production leads to higher prices of the crop. This could in turn create conditions for local prices exceeding the government's purchase prices and thus, bothering the latter's endeayour to stock up supplies.

The daily average price of wheat at the retail level, on June 14, stood at ₹29/kg compared to ₹27.54/kg a year back. At the wholesale level, it stood at ₹2,593.5 for each quintal against ₹2,557.89/quintal for the previous month and about ₹2,423/quintal a year back.

The Food Corporation of India is entrusted with the responsibility to ensure food grains are accessible at reasonable prices to the vulnerable sections of society under the Public Distribution System. The government had set a target of procuring 341.5 lakh metric tonnes of wheat for the Central Pool in the ongoing Rabi Marketing Season (RMS) 2023-24. RMS rolls from April to March with the maximum proportion acquired around April and June.

As on June 12, 261.99 lakh metric tonnes of wheat have been procured. News agency Reuters learnt from government officials and traders that India's wheat procurement in 2023 could fall by a fifth from the initial estimate as government purchases have slowed down in the last few days after local prices jumped. As of June, the government had 313.9 lakh metric tonnes of wheat in the central stock compared to 311.42 lakh metric tonnes in the year-ago period.

### What about production?

Notwithstanding the warnings from experts about the potential effects of El Nino, the Agricultural Ministry estimates the production of wheat at a record 1,127.43 lakh metric tonnes for the agriculture year 2022-23, higher by 50.01 lakh metric tonnes from previous year's production. The optimism is premised around the increased area of wheat sowed and better yield.

### Law Commission seeks fresh inputs on Uniform Civil Code

The 22nd Law Commission of India on Wednesday sought fresh suggestions from various stakeholders, including public and religious organisations, on the Uniform Civil Code (UCC).

The previous 21st Law Commission had also examined the subject and solicited the views of stakeholders through its appeal. The previous commission has also issued a consultation paper on "Reforms of family law" in August 2018.

Pursuant to the same, overwhelming responses have been received by the commission, it said in a communiqué.

"Since more than three years have lapsed from the date of issuance of the said consultation paper, bearing in mind the relevance and importance of the subject and also the various court orders, the 22nd Law Commission considered it expedient to deliberate afresh over the subject," the panel said.

Those willing to share their views, suggestions on the UCC can write to the commission through the email of the member-secretary or via its website.

The panel said a unified nation did not necessarily need to have "uniformity" and that "efforts have to be made to reconcile our diversity with universal and indisputable arguments on human rights".



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