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## INDIA NEEDS A UNIFORM CIVIL CODE, AFFIRMS MODI



**If in the same family there is one law for one member and another law for a second member, will that household be able to function? Can one run the country with such dual system?**

**NARENDRA MODI**  
Prime Minister



*Prime Minister says the Constitution envisages same rights for all citizens; he urges Muslim community members to 'understand which political parties are instigating them to ruin them'*

Prime Minister Narendra Modi on Tuesday said India needed a Uniform Civil Code (UCC) as the country could not run with the dual system of "separate laws for separate communities". He was addressing booth-level workers of the BJP in Bhopal (and the interactive session being livestreamed to 10 lakh workers of the party), a speech which clearly signalled his government's intent on bringing the UCC.

His statement on the UCC comes at a time when the country's political calendar for the next one year is packed with Assembly polls in five States and the 2024 Lok Sabha election. It also comes less than a fortnight after the 22nd Law Commission of India sought fresh suggestions from various stakeholders, including public and religious organisations, on the UCC.

There was also dual messaging in Mr. Modi's address wherein he urged the Muslim community in India to "understand which political parties are instigating them to ruin them", at a time when he had been dogged with concerns expressed in certain quarters of the United States, during his state visit there, on minority rights.

"Colleagues, Muslims in India will have to understand which political parties are instigating them to ruin them while reaping benefits for themselves. These days, we are seeing that such people are being instigated in the name of Uniform Civil Code. You tell me, if in the same family there is one law for one member and another law for a second member, will that household be able to function? Can one run the country with such dual system?" he asked.

**'Same rights for all'**

Attacking his political opponents for using Muslims to further their interests at the cost of the community's well-being, particularly that of the Pasmanda Muslims, Mr. Modi said that same rights for all citizens had been mentioned in the Constitution too.

"Friends, they [opponents] level allegations against us, but the truth is the same people who speak for Muslims, if they were true well-wishers of the Muslims, then majority of the families of my Muslim brothers and sisters would not have lagged behind in education, jobs and would not have been compelled to lead tough lives," he said, of the UCC.

With Ram temple and Article 370 out of the way, the UCC is the only major fundamental plank that the Bharatiya Janata Party (BJP) has termed its "core issues" left to be addressed and implemented.

The party since its inception and even during Jana Sangh days has backed the same. While a BJP government in Uttarakhand had formed an expert panel to implement the UCC, the Shivraj Singh Chouhan-led BJP government in Madhya Pradesh — a State that goes to polls this year and one where Tuesday's event was held — has also spoken about constituting a similar committee.

By flagging the issue so strongly in his address, however, Mr. Modi has left no one in any doubt that he, at least, intends to bring the UCC sooner rather than later.

## LAST CHINESE REPORTER LEAVES INDIA AFTER VISA EXTENSION DENIED

There are no Chinese journalists in India now. The last remaining reporter, from China's official Xinhua news agency, left New Delhi around one week ago after being denied a visa extension, according to people familiar with the development.

This marks the first instance of there being no Chinese journalists in India since the normalisation of relations in the 1980s.

There is currently one Indian reporter, from the Press Trust of India, who remains in Beijing.

The Chinese Foreign Ministry on June 12 said the reporter was "still working and living normally in China" but suggested that it may take countermeasures if India did not extend the visa of "the last Chinese journalist in the country".

### Exit route

Journalists have been at the receiving end of the worsening relations between India and China

**2016:** India asks three Xinhua reporters to leave

**2017:** India begins issuing shortened three-month visas for the Chinese media

**2020:** China refuses new visas, leaving only three Indian reporters in the country; India

ends visa extensions for some Chinese correspondents

**April 2023:** Chinese media presence dips to two; Beijing asks two Indian correspondents to leave

**June 2023:** Last Chinese reporter in India denied visa extension



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## STRATEGIC HIGH

*India and the U.S. have entered a new era of mutual trust and cooperation*

The just concluded state visit of Prime Minister Narendra Modi to the United States is undoubtedly a new gambit by both sides to propel their strategic cooperation to an unprecedented level, while staying short of turning treaty allies. The announcement for potential joint manufacture of General Electric (GE) Aerospace's F414 engines in India by GE and Hindustan Aeronautics Limited to power India's indigenous Light Combat Aircraft MK2 and the twin-engine Advanced Medium Combat Aircraft MK1 as well as the purchase of 31 high-altitude, long-endurance Predator-MQ-9B armed unmanned aerial vehicles take the defence ties between the countries to a new high. Military cooperation between the two nations has been deepening in the recent past. India has bought from the U.S. the C-130 and C-17 Globemaster transport aircraft, AH-64E Apache attack helicopters as well as CH-47 Chinook and MH-60R multi-role helicopters, P-8I maritime patrol aircraft and M777 ultra light howitzers, among others. The U.S. has been aggressively pitching its fighter jets, the F-16 and F/A-18, for the Indian Air Force and the Indian Navy. India and the U.S. had tried and shelved an earlier engine development effort under the Defence Technology and Trade Initiative some years ago. But now, the new jet engine deal is an investment in each other to address the shared security

concerns, while continuing to navigate the disagreements.

Top among their shared concerns is China and its expansion in the Indo-Pacific. The U.S. also wants to wean India away from its defence partnership with Russia in the long term. From a technological perspective, the newly announced joint initiatives in jet engine production, semiconductors and space technology present an opportunity for India to develop a defence industry of its own, and improve its technological competence across the board. India and the U.S. have already signed the four foundational agreements and regularly conduct joint military exercises. While its embrace with the U.S. is getting stronger, deeper and more comprehensive, India is also cognisant of the need to maintain its strategic autonomy. U.S. strategy at the moment is focused on creating a new bipolarity in the world, which India is not comfortable with. Getting caught in the power rivalries of others is the last thing that India wants, and the good thing is that the U.S. is increasingly aware of that concern. India's desire to protect its borders and sovereignty aligns with U.S. interests. This is a new era of mutual trust between the two countries, and it should act as a force for stability in the region.

## TRACING THE ARC OF AMERICAN 'EXCEPTION-ISM' FOR INDIA

The growth of the relationship between India and the United States is often traced from its nadir 25 years ago, when the U.S. imposed sanctions against India (and Pakistan) after they tested their nuclear weapons in May 1998. Since then the arc of the relationship between India and America has grown year-on-year, some years more than others, built by five American Presidents (Bill Clinton, George W. Bush, Barack Obama, Donald Trump, Joe Biden) and three Indian Prime Ministers (Atal Bihari Vajpayee, Manmohan Singh, Narendra Modi) over the first two decades of the 21st century. While the Clinton-Vajpayee-era gave impetus to summit-level diplomacy in the relationship, the Manmohan-Bush and Manmohan-Obama relationship highlighted nuclear diplomacy and Modi-Obama and Modi-Trump worked on trade and military diplomacy.

After his visit to Washington in earlier this June, Mr. Modi's meetings with Mr. Biden during his state visit to Washington have led to the two nations forging ahead with technology diplomacy, including the unprecedented new promise of Transfer of Technology (ToT) from the U.S. as a result of the Memorandum of Understanding between General Electric (GE) Aerospace and Hindustan Aeronautics Limited (HAL) "to produce fighter jet engines for the Indian Air Force".

For India, the rapidly rising arc of ties has been seen in terms of shrugging off what Mr. Modi in 2016 called the "hesitations of history" and of renouncing the government's Cold War muscle-memory in Indian foreign policy towards the U.S. The more important arc, however, is the shift in the U.S.'s belief in "American exceptionalism", to a more pragmatic era of "American exception-ism for India". In other words, it is the U.S.'s decision to make a series of exceptions specifically for India in the first quarter of this century that has been responsible for the big surges in a relationship billed as the most "defining partnership of the century" by Mr. Obama (2009), and Mr. Biden (2023).

### The civil nuclear deal

In 1998, just six months after the U.S. imposed sanctions on India mandated by the Arms Export Control Act, in November, Mr. Clinton signed a waiver to the sanctions on both India and Pakistan. The Bush administration's push for civil nuclear exemptions, resulted in the India-U.S. Joint Statement in 2005, a waiver under the Non-Proliferation Act, the Henry Hyde Act and the 123 Agreement with India, which also led to an India-specific exemption at the Nuclear Suppliers Group in 2008. The Obama visit to Delhi in 2010 saw a breakthrough in implementing all the waivers of the previous decade to make another set of exceptions for India on export controls and high technology trade and transfers under the U.S. Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR).

The significance of all these exceptions was that they were made despite the fact that India never joined the Nuclear Non-Proliferation (NPT) Treaty regime; nor did it sign the Comprehensive Nuclear-Test-Ban Treaty. More importantly, these were "India-specific" waivers not available to other non-NPT countries such as Pakistan, and were crucial indicators of the shift in U.S. alignment in South Asia.

### The Russian angle

Over the past decade, the U.S.'s waivers have been on regulations

dealing with Russia, such as the Countering America's Adversaries Through Sanctions Act (CAATSA) of 2017. The Trump administration avoided sanctioning India for the (Russian S-400 missile system, but sanctioned Turkey and China for the same purchases. In 2022, the U.S. House of Representatives passed the "[Ro] Khanna amendment", which if made law, would exempt India entirely from CAATSA sanctions.

In the wake of the Russian war in Ukraine, the U.S. has ruled out secondary sanctions against India for its considerable oil imports or defence engagement from Russia. This is indeed an exception, given that Mr. Biden ordered sanctions in 2022 on even German entities for the Nord Stream 2 pipeline.

Finally, there are the International Religious Freedom Act exemptions the U.S. has accorded India for the past four years. Despite repeated recommendations from the U.S. Commission on International Religious Freedom to place India on a list of "Countries of Particular Concern" which includes China, Russia, Iran, Saudi Arabia, Pakistan and Myanmar, the State department has not complied.

It is pertinent to note all these exceptions have been made for India, despite its disavowal of ever becoming an ally, or alliance partner, and in spite of its strong ties with U.S. adversaries such as Russia and Iran.

The exceptions have come without India accepting conditionalities on cutting ties with these adversaries, withdrawing from groupings such as the Shanghai Cooperation Organisation or BRICS (Brazil, Russia, India, China and South Africa) that pose a challenge to the U.S.-Europe world order, or of any commitments to join U.S. military operations against them. And they have been granted even though very few commercial contracts have fructified for U.S. companies (nuclear power plants, fighter jets, weapons systems) thus far. A perspective

Why has the U.S. institutionalised such a broad based waiver policy for India over two-and-a-half decades? The first reason is obviously the promise of ties with India: the world's most populous nation, that has been an inclusive, pluralistic democracy for most of its history as a republic with a record in non-proliferation. Where there are concerns on these issues, the U.S. calculation is that expressing them is unproductive. In Mr. Obama's contentious interview to CNN last week, he said that he dealt with Chinese President Xi Jinping and Mr. Modi on the Paris climate accord despite concerns on "authoritarianism", due to their size. Second, there is India's attractiveness as an economic market and a military buyer. Third, there is India's geography in Asia, and its boundary problems from Beijing, that could make it a more dependable partner than European allies in providing a counter to China. Fourth, both Mr. Biden and Mr. Modi acknowledged the Indian-American diaspora, that has distinguished itself as a professional, law-abiding, prosperous and unproblematic community, and is the biggest votary of better India-U.S. ties.

Paradoxically, the biggest challenges to this relationship's untrammelled arc lie precisely in the mechanism used to strengthen it: the exceptions made for India, which can be reversed at any time. Former close partners of the U.S., such as Pakistan, Egypt, Turkey, Saudi Arabia and even China, today complain about the "fickleness" of American foreign policy towards

them. Second, despite India's growth story, the relationship remains largely one-directional on issues such as investment, hardware or technology transfer, and thus require the U.S. to "give" and India to "take" more than the other way around, at a timetable decided by the U.S. The GE-HAL deal, for example, took more than 13 years after the U.S. had in principle cleared India's access to high-tech transfers; the next big leaps in high-tech co-production, clean energy transitions, semiconductor technology, and Artificial Intelligence will also go on a

case-by-case basis, at an unpredictable pace. The geopolitical context of ties, driven by a desire to counter China, or rein in Russia is also essentially an American construct, not one followed by India. A quantum leap in U.S.-India ties will then follow, not from exceptions that become the rule, but by a change in the rules themselves, that would transform a series of transactions into a relationship between partners equally respectful of each other's strategic autonomy.

## THE CONCERNS ABOUT INDIA-U.S. DIGITAL TRADE



*Technical issues: U.S. President Joe Biden and PM Narendra Modi meet with CEOs of American and Indian companies in Washington, U.S. on June 23. REUTERS*

*What has come out of PM Modi's recent state visit to the U.S.? What concerns have U.S. companies flagged about India's digital laws? Why is India's equalisation levy on e-commerce an issue? What are the criticisms of the draft Telecom Act? What are the concerns on data localisation?*

During Prime Minister Narendra Modi's U.S. state visit, cooperation on technology emerged as a prominent talking point and yielded some of the most substantive outcomes, according to Foreign Secretary Vinay Kwatra. However, digital trade is also the area where some of the biggest U.S. tech companies have recently flagged multiple policy hurdles, including "India's patently protectionist posture". Earlier this year, the Washington D.C.-headquartered Computer & Communications Industry Association (CCIA), with members like Amazon, Google, Meta, Intel, and Yahoo, flagged 20 policy barriers to trading with India in a note titled "Key threats to digital trade 2023".

### What is the current status of India-U.S. technology trade?

Notably, in FY2023, the U.S. emerged as India's biggest overall trading partner with a 7.65% increase in bilateral trade to \$128.55 billion in 2022-23. However, digital or technology services did not emerge as one of the sectors at the forefront of bilateral trade. The CCIA points out in its report that "despite the strength of the U.S. digital services export sector and enormous growth potential of the online services market in India, the U.S. ran a \$27 billion deficit in trade in digital services with India in 2020".

In the recent past, however, the two countries have been ramping up their tech partnership through moves like the Initiative on Critical and Emerging Technology (iCET) announced by President Joe Biden and Prime Minister Narendra Modi last year. Additionally, under the iCET, India and the U.S. also established a Strategic Trade Dialogue with a focus on addressing regulatory barriers and aligning export controls for smoother trade and "deeper cooperation" in critical areas.

### What have U.S. tech firms flagged?

The CCIA, while appreciating the reinvigorated efforts to ramp up trade through bilateral initiatives, has flagged in its note, the "significant imbalance" and "misalignment" in the U.S.-India economic relationship. "The U.S.'s extension of market access, trade and openness to Indian companies to operate and succeed in the U.S. has not been reciprocated by the Indian side," it reads, adding that the Indian government has deployed a range of "tools to champion their protectionist industrial policy", tilting the playing field away from U.S. digital service providers in favour of domestic players.

To describe these "discriminatory regulation and policies", it cites the

example of India's guidelines on the sharing of geospatial data, which it accuses of providing preferential treatment to Indian companies. It has also expressed discontent over India's veering away from "longstanding democratic norms and values, and seeking greater government censorship and control over political speech", which it argues has made it "extremely challenging for U.S. companies to operate in India".

### What taxation measures has the CCIA raised concerns about?

One of the taxation tools that U.S. tech firms have long taken exception to is the expanded version of the "equalisation levy" that India charges on digital services. India in 2016, with the goal of "equalising the playing field" between resident service suppliers and non-resident suppliers of digital services imposed a unilateral measure to levy a 6% tax on specific services received or receivable by a non-resident not having a permanent establishment in India, from a resident in India who carries out business.

In 2020, the Centre came out with the 'Equalisation Levy 2.0', which imposes a 2% tax on gross revenues received by a non-resident "e-commerce operator" from the provision of 'e-commerce supply or service' to Indian residents or non-resident companies having a permanent establishment in India.

The equalisation levy, when it was first introduced in 2016, led to double taxation and further complicated the taxation framework. Besides, it also raised questions of constitutional validity and compliance with international obligations. The 2020 amendment again led the levy to become sweeping and vague in its scope. Further, in 2021, instead of introducing an amendment, the government issued a "clarification" to say that the expression 'e-commerce supply or service', *inter alia*, includes the online sale of goods or the online provision of services or facilitation of the online sale of goods or provision of services.

### What about India's IT Rules 2021?

The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, has been flagged by the consortium of foreign tech firms under the some of the most "problematic policies". The IT Rules place compliance burden on social media intermediaries (SMIs) and platforms with five million registered users or more, which means several U.S. firms end up falling under the ambit.

Some points of concern raised are the "impractical compliance deadlines and content take-down" protocols — the IT Rules require intermediaries to take down content within 24 hours upon receiving a government or court order. The platforms are also required to appoint a local compliance officer. Moreover, with the amendments made to the Rules late last year, SMIs are now obligated to remove, within 72 hours, information or a communication link in relation to the six stipulated prohibited categories of content as and when a complaint arises. There is also major criticism against the government's institution of the three-member Grievance Appellate Committees (GAC), which will hear user complaints about the decisions of SMIs regarding their content-related issues and have the power to reverse those decisions.

### What has been flagged in the new draft of the data protection law?

While the firms appreciate a "notable improvement" in the government's new draft (and the fourth iteration) of the Digital Personal Data Protection Bill released in November 2022, ambiguities about cross-border data flows, compliance timelines, and data localisation still remain.

India, with more than 759 million active internet users representing more than 50% of its population is a gold mine for data. The country is also planning to become a hub for data processing, wanting to host data centres and cloud service providers. This means that India's policy on the flow of data across borders will impact the same on a global level, as was seen with the European Union's landmark General Data Protection Regulation (GDPR). While there are various arguments in favour of data localisation requirements by governments, such requirements also tend to significantly increase operating costs of companies and can be seen as discriminatory by foreign companies.

Foreign tech companies like Meta or Amazon operating in India find it

convenient to store their data, say in the U.S. or wherever they have their servers. This means that such data has to leave Indian borders. The new draft has only one line about cross-border data flows — Section 17 of the Act says that cross-border flow of data will only be allowed for a list of countries notified by the Centre. On what basis will these countries be notified and what will the terms for such transfers be is not mentioned in the draft. Industry experts wonder whether whitelisting some countries for allowing data transfers would mean that other countries are automatically blacklisted. The CCIA argues that instead of taking this “opaque” approach, the law could be strengthened by “proactively supporting cross-border data flows through certifications, standard contractual clauses and binding corporate rules”.

#### What have firms said about the Telecom bill?

The CCIA contends that the draft Telecommunications Bill, 2022, has a sweeping regulatory ambit in that it “would redefine “telecommunication services” to include a wide range of internet-enabled services that bear little resemblance to the telephony and broadband services previously governed by this regulatory regime”.

The current draft of the Bill puts both Telecom Service Providers (TSPs) and Over-the-top (OTT) communication services under the definition of

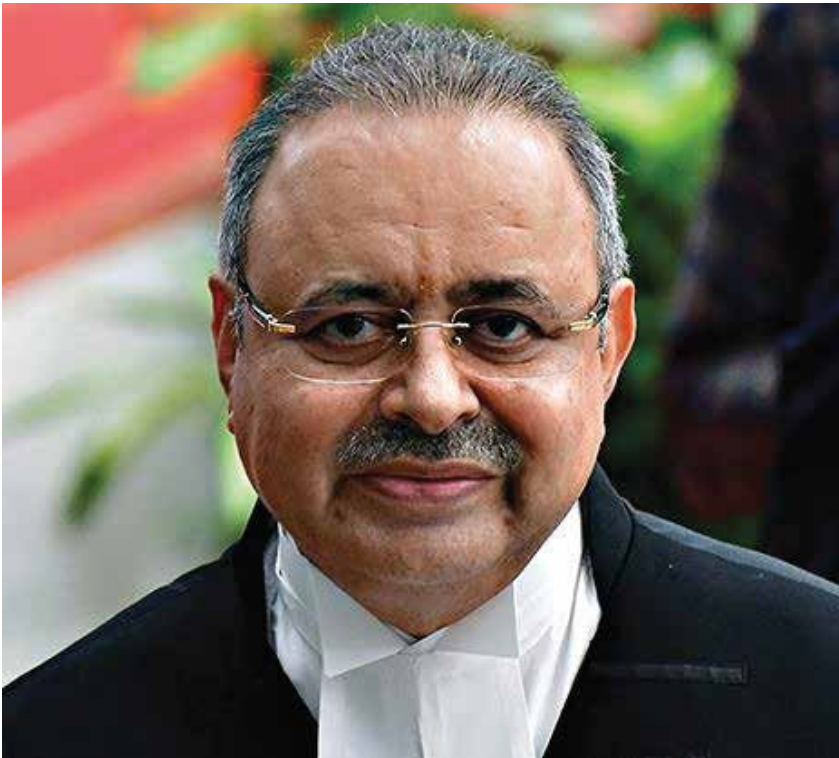
“telecommunication services”. OTT communication services include messaging platforms such as Whatsapp, Telegram, Signal, Google Meet etc., which use the network infrastructure of TSPs like Airtel and Jio to provide features that compete with telecommunication services such as voice calls and SMS services.

The CCIA contends in its note that the proposed law if passed in its current form, would subject a number of platforms to “onerous obligations including licensing requirements; government access to data; encryption requirements, internet shutdowns, seizure of infrastructure, and possibly monetary obligations for the sector”. The industry body contends that the law would “impose a first of the kind global authorisation/licensing requirement for any digital firm”.

#### What are the other policy barriers?

Last year, the Parliamentary Committee on Finance, in order to address anti-competitive practices by big tech companies, proposed the adoption of a “Digital Competition Act”. This, the CCIA says would include estimated taxes for big or significant digital intermediaries, arguing that the proposal appeared “to be largely targeted at U.S. tech companies”.

## ‘SEDITION LAW MUST TO RETAIN INDIA’S INTEGRITY’



*Law Commission Chairman Justice Ritu Raj Awasthi (retd) says enough safeguards had been proposed to prevent the misuse of Section 124A of IPC; the panel also recommends bridging the big gap in punishment tenure by increasing the term from three to seven years, as per the severity of crime*

Amid a clamour for the colonial-era sedition law to be repealed, Law Commission Chairman Justice Ritu Raj Awasthi (retd) said on Tuesday that it was an important tool to safeguard the “safety and integrity of India” given the situation in many parts of the country, from Kashmir to Kerala and Punjab to the Northeast.

Defending the panel’s recommendation to retain the law, which is at present under abeyance following directions of the Supreme Court issued in May last year, he said enough safeguards had been proposed to prevent its misuse.

He said that special laws such as the Unlawful Activities (Prevention) Act (UAPA) and the National Security Act (NSA) operated in different fields and

did not cover the offence of sedition and therefore, the specific law on sedition needed to be there too.

He also said that the sedition law being a colonial legacy was not a valid ground for its repeal and several countries, including the U.S., Canada, Australia and Germany, had their own such laws.

#### Preventing misuse

In its report submitted to the government last month, the 22nd Law Commission headed by Justice Awasthi supported retaining Section 124A of the Indian Penal Code (IPC) with safeguards to prevent its misuse.

The recommendation triggered a political uproar with several Opposition parties alleging that it was an attempt to stifle dissent and voices against the ruling party ahead of the Lok Sabha election next year.

While the government said it would take an “informed and reasoned” decision on the Law Commission report after consulting all stakeholders and that the recommendations were “persuasive” but not binding, the Congress had alleged that the government wanted to make the sedition law more “draconian”. Referring to the “procedural safeguards” recommended by the commission, Justice Awasthi said that the preliminary inquiry would be held by a police officer of the rank of inspector or above.

The inquiry would be done within seven days from the occurrence of the incident and the preliminary inquiry report would be submitted to the competent government authority for permission for lodging of FIR in this regard, he added.

“On the basis of the preliminary report, if the competent government authority finds any cogent evidence with regard to commissioning of the offence of sedition, it may grant permission. It is only after the grant of permission that the FIR under Section 124A of the IPC shall be lodged.”

“We have also recommended that the Central government may issue guidelines which are to be followed in case of commission of any such offence and the said guidelines may clarify as to under what circumstances the said offence was committed,” the former Chief Justice of the Karnataka High Court said.

He also said that the law panel had not made any recommendation for enhancement of punishment “as such”.

#### Disparity in term

Under the existing provision of Section 124A, punishment can be up to three years imprisonment, with or without fine, which may go up to imprisonment for life, with or without fine.

“We have found that there is a big gap in the punishment provision. We found this gap to be very odd and, therefore, we have said that this punishment of up to three years with or without fine maybe increased to seven years with or without fine,” he explained.

## RUSSIA TO TRANSFER WAGNER HARDWARE TO ARMY; PRIGOZHIN ARRIVES IN BELARUS

Russia prepared on Tuesday to take possession of heavy military hardware held by Wagner as Moscow moved to bring the mercenary group under its control after its aborted mutiny.

Russia’s FSB said on Tuesday that the criminal case against the

group’s troops was now closed. “Preparations are underway for the transfer of heavy military equipment from Wagner to units of the Russian armed forces,” the Defence Ministry said.

Russian President Vladimir Putin told troops gathered on Tuesday at

the Kremlin they prevented civil war after a revolt by Wagner mercenaries, and held a minute's silence for pilots killed during the insurrection.

It was the latest in a series of addresses Mr. Putin has made after the rebellion. "You de facto stopped civil war," Mr. Putin told troops from the Defence Ministry, National Guard, FSB security service and Interior Ministry.

He addressed them inside the Kremlin's Cathedral Square, standing on a red carpet and facing men in different uniforms. Soldiers holding the Russian flag and bayonets stood behind the longtime leader. "You proved your loyalty to the people of Russia and the military oath. You showed responsibility for the fate of the motherland and its future," he said.

He also said that Moscow had paid out last year just over \$1 billion to the Wagner mercenary group, which last week staged a failed mutiny.

On Monday night, in an address to the nation, Mr. Putin had accused Ukraine and its Western allies of wanting Russians to "kill each other" during the revolt.

Meanwhile, Yevgeny Prigozhin arrived in Belarus on Tuesday, state news agency BELTA said, quoting Belarusian President Alexander Lukashenko.

A plane linked to Mr. Prigozhin and believed to be carrying him into exile landed in Belarus from the southern Russian city of Rostov early on Tuesday, a flight tracking service said.

"I see Prigozhin is already flying in on this plane," Mr. Lukashenko was quoted as saying by BELTA. "Yes, indeed, he is in Belarus today."



Morale check: Russian President Vladimir prepares to deliver a speech at the Kremlin in Moscow on Tuesday.AP

## Q4 CURRENT ACCOUNT DEFICIT NARROWS TO \$1.3 BILLION AS TRADE DEFICIT SHRINKS

### Current account dynamics

**Current account deficit (CAD) narrowed to 0.2% of GDP in the fourth quarter from 2% of GDP in the preceding three-month period, RBI data shows**



- Net services receipts rose, sequentially and year-on-year, on a rise in net earnings from exports of computer services
- Private transfer receipts, mainly remittances from Indians working abroad, rose 20.8% to \$28.6 billion
- For FY23, CAD widened to 2% of GDP, from 1.2% in FY22

*CAD narrows to 0.2% of GDP, from \$13.4 bn or 1.6% in year-earlier period and \$16.8 bn in Oct.-Dec. quarter, RBI data show; moderation in trade deficit in Jan.-March to \$52.6 bn, from \$71.3 bn in Q3, combined with a jump in services exports helps*

## SPRING CLEANING

*The pause on the new GMER vis a chance to forge a consensus*

A quarter of a century is time enough to justify a reassessment of any effort. About 25 years have passed since the existing Regulations on Graduate Medical Education (GMER) were notified in 1997, and the time was ripe to take a relook at all aspects of the system, and adapt them to changing requirements, including demography, socio-economic contexts, and advancements in science and technology. The National Medical Commission's (NMC) new GMER, which was withdrawn without any explanation, attempted to catch up, and correct course, wherever necessary. The medical world is a changed place since the regulations were last drawn up, with emerging diseases, changing demands and expectations of stakeholders also altering the game dramatically. The new regulations aimed at making medical education more learner-centric, patient-centric, gender-sensitive, outcome-oriented and environment-appropriate, while continuing to anchor on the basic principles of teaching medicine. The regulations were progressive in introducing a longitudinal programme based on attitude, ethics, and communication competencies for young medical students, to lay stress on ethical values, being responsive to patient needs, and improved communication, early clinical experience — all skills young medics will benefit from in the real world. It had specified that didactic lectures would not exceed a third of the schedule; while

S&P Global Ratings on Monday retained India's GDP growth forecast at 6% saying India will be the fastest-growing economy among Asia-Pacific nations.

The GDP growth forecast for the current and the next fiscal has been kept unchanged from the forecast made in March partly on account of domestic resilience.

"We see the fastest growth at about 6% in India, Vietnam, and the Philippines," S&P Global Ratings said in its quarterly economic update for Asia-Pacific.

"The medium-term growth outlook remains relatively solid. The Asian emerging market economies remain among the fastest growing ones in our global growth outlook through 2026," said Louis Kuijs, Asia-Pacific chief economist at S&P Global Ratings.

S&P said retail inflation is likely to soften to 5% this fiscal from 6.7%, and the RBI is expected to cut interest rates only early next year. "The inflation and rate hike cycles have peaked. But we expect the RBI to cut rates only in early 2024, as it wants to see consumer inflation moving to 4%," Mr. Kuijs said.

S&P has lowered the growth forecast for China to 5.2% from 5.5% for 2023.

the bulk of the course would include interactive sessions, practicals, clinical experience, and case studies. Also introduced anew was a family adoption programme through village outreach, for each MBBS student, and a 'pandemic module'. Other significant changes included reduction of the overall time period for students to complete the MBBS course to nine years (from 10), fixed number of attempts to clear papers, and common counselling for admission from 2024. If a student failed to clear any exam, he/she could have appeared in the supplementary examination, the results of which were to be processed within three-six weeks. The students, if successful, could have proceeded with the same batch.

A spring-cleaning of medical education in India is no doubt necessary to clear the cobweb remnants from the past. While a new GMER will enable the country's medical students to be future-ready, the question needs to be asked if the system will be ready to handle the requirements of students who breach odds to climb up to a medical seat. As the NMC takes a step back, with withdrawing the regulations, perhaps it will pause to anticipate and face, with least confrontation, the opposition of several States to common counselling and the exit test.

## PAY HEED TO A RESURGENCE IN MILITANCY IN RAJOURI-POONCH

The Rajouri-Poonch region of Jammu and Kashmir has been in the news recently for all the wrong reasons. The border districts here have seen a relative surge in terror-related incidents over the last couple of years. Since October 2021, militants have killed at least 20 soldiers in the area between the Bhatta Durian-Chamrer forests in Poonch and Pargal-Dangri in Rajouri; in the latest incident, five special forces soldiers were lost in a blast on May 5 during a combing operation.

This region has been relatively calmer since the mid-2000s, after being a hotbed of insurgency in the late 1990s and the early 2000s. Traditional infiltration routes were through the hilly and forested terrain of Rajouri-Poonch, mainly being on the Line of Control (LoC). Terrorists infiltrating through the Poonch, Mendar and Rajouri sub-sectors of the LoC used to pass through these areas while heading for the Pir Panjal ranges to enter the Valley. An extensive network of over ground workers and an associated support base flourished in the region. Also, the forested area of Surankote (in Poonch district) on the higher ridges was used as transit camps and training grounds for terrorists.

### Gurjar-Bakkarwals as a pillar of support

This was the context to Operation Sarp Vinash (of 2022) also known as the Hill Kaka Operations launched by the Counter Insurgency Force 'Romeo'. The operation resulted in the elimination of an estimated 65-70 terrorists. While being deployed in the region since the early 1999s, hundreds of security personnel have made great sacrifices for peace. The forces have also been strongly supported by the local population. The demography of the region is one of Muslim domination with the Gurjar-Bakkarwal community in the majority.

The support of the Gurjar-Bakkarwals to the Indian Army saw the first Muslim village defence committee being set up in this region in December 2002, in response to atrocities on locals by Harkat-ul-Mujahideen cadres. The support of the Gurjar-Bakkarwals to the Indian state in counter-insurgency operations gained traction when in 2002, Tahir Hussain returned to Surankote from employment in Saudi Arabia to avenge the death of his brother killed by the Lashkar-e-Taiba. Several others from Surankote tehsil, accompanied Tahir Hussein to fight the insurgents who had consolidated themselves in the forested areas of Surankote. Since 2004-05, peace has prevailed largely because the people decided to stand up to the terrorists; the Gurjar-Bakkarwals have had a major role to play in this.

### A revival of militancy

Having seen the sensitivity of Rajouri-Poonch, the recent revival of militancy, though not on the scale it was earlier, is a matter of concern. It is quite certain that terrorist cadres and their leadership in Pakistan will be looking to diversify in wanting to become a force to reckon with, much beyond the Kashmir

Valley. The constant variable in recent terror strikes in this region has been that militants continue to be at large, except for one 'kill' during an operation launched by security forces on June 1.

There are many attributes to the short-term gains that terror cadres have been able to achieve. According to government sources, analysts and the media, a few of the factors in favour of the terrorists are: use of smart technology by terrorists to communicate and move around, operations in small groups and from urban pockets, a thinned down counter-insurgency grid in Jammu region due to troops being pulled out for deployment on the Line of Actual Control (LAC), reinvigoration of sleeper cells and over ground workers, a deepening drug menace and its nexus with terrorism.

Also, certain sections maintain that infiltration is not taking place in a conventional manner across the LoC any more, but is happening through the Nepal and Bangladesh borders. In a nutshell, the causes behind a revival of militancy in this region are multifarious and by re-establishing support of Gurjar-Bakkarwals, all the challenges could be overcome. In the short and mid term, outsmarting terrorists in the use of technology or defeating them in use of rhetoric on social media has always proved to be a tall order for state agencies.

### Relevant questions

The most crucial questions that the very few are asking are these: 'What has led to the drying up of hitherto local support that could have overcome all handicaps stacked against the state?' 'Has the Gurjar-Bakkarwal community been alienated?' It has been established beyond reasonable doubt that terror can thrive only on the plank of support of the local population, irrespective of the technology and the methodology that the terrorists adopt.

Looking back at the socio-political landscape of the region, there could be many reasons behind the distancing of the majority population in Rajouri-Poonch, from the state. In addition to issues such as unemployment, a few of the drivers that seem to have mattered are gaps in sound implementation of the Forest Rights Act 2006 in Jammu and Kashmir that has directly affected the Gurjar-Bakkarwals, and the deepening and festering divide between Gurjar-Bakkarwals and Paharis over the reservation issue.

The proxy war by Pakistan forms a sub-set of a grey zone or hybrid warfare and calls for a 'whole of government' approach. Solutions to militancy-related challenges are not obtained in silos and permeate through several layers in society including governance and, most importantly, the realm of justice. The stakes are high and peace in the Rajouri-Poonch region rests on the sweat and blood of soldiers and the Gurjar-Bakkarwals. It is time the state saw the realities clearly.

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