13/11/2024 WEDNESDAY

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DAILY NEWS ANALYSIS

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ECOLOGY

Food prices spur retail inflation to 6.2 % in Oct.

ECONOMICS & DEVELOPMENT

CONTEXT: A 10.9 % spike in food prices lifted India's retail inflation to a 14-month high of 6.2% in October, from 5.5 % in September, with prices of vegetables and edible oils escalating at an unprecedented sharp pace.

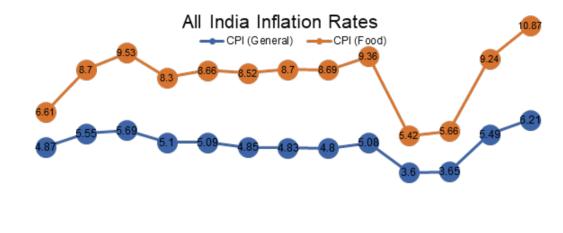




FIGURE: Line chart representation of the All India Consumer Price Index inflation and All India Consumer Food Price Index inflation.

October's price rise pace breached the Reserve Bank of India's (RBI's) upper tolerance limit for inflation, with rural India facing a sharper uptick of 6.7 %, while urban consumers encountered an inflation of 5.6 %.

High food inflation in October 2024 is mainly due to increase in inflation of vegetables, fruits and oils and fats, while noting a "significant decline in inflation" in pulses, eggs, sugar, and spices. Rural food prices rose by 10.7 %, while food prices in urban areas rose by 11.1% in October, with domestic prices rising at the fastest clip since July 2023. Vegetables inflation bounced up from 36 % in September to a 57-month peak of 42.2 % in October, while edible oil prices shot up

9.5 %, the highest spike in nearly two years, from about 2.5 % in the previous month. Fruit prices also hardened by 8.4 %, although pulses inflation eased to 7.4 %, after 17 months of double-digit rise in prices. Spices prices dropped 7 %. In October, households also faced a sharp 11 % rise in the costs of personal care and effects, up from 9 % in September. Compared to September, the CPI rose 1.3 %, with a slightly higher uptick of 1.42 % in rural India. However, the Consumer Food Price Index (CFPI) was up 2.6 %, with rural and urban areas facing the same spike in costs.

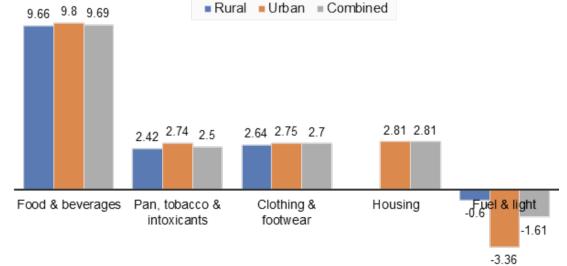


FIGURE: Line chart representation of an All-India Year-on-Year (YoY) inflation rates (%) for General, Group and Sub-group level CPI and CFPI numbers for October 2024 (Provisional) for Rural, Urban and Combined.

'No December rate cut'

Inflation may recede gradually for cereals and pulses but will take longer for vegetables. Core inflation has an upward bias with personal care products showing higher inflation as input costs are transmitted, stressing that this will ensure that a December rate cut is out of consideration.

The RBI had projected an average inflation of 4.8 % for the October to December quarter or the third quarter (Q3) of 2024-25, before declining to 4.2 % in the final quarter. However, for that arithmetic to hold after October's CPI spike, price rise

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would have to soften to about 4.1 % through this month and December. Core inflation, which excludes food and energy prices, also saw a mild rise from September's estimated nine-month high of 3.8 %, but remained under 4 % for the 11th successive month.

Global prices

The surge in edible oil inflation in October was driven by a steep 27 % rise in global prices due to supply disruptions in Southeast Asia. Though non-food inflation remains benign around 3 %, the recurring flare-up in food inflation has kept headline inflation elevated and creates an upside risk to the inflation trajectory – restricting the easing in monetary policy. It was expected that the RBI Monetary Policy Committee would cut rates towards the end of 2024-25, with food inflation likely to recede due to the healthy kharif sowing and fresh stocks of vegetable prices entering the market.

A mixed report card for the IMEC

INTERNATIONAL RELATIONS

CONTEXT: In September 2023, the ambitious transcontinental India-Middle East-Europe Corridor (IMEC) was announced on the sidelines of the G20 summit in New Delhi. The proposed corridor is expected to reduce the transit time between its eastern and western nodes by 40 %, and costs by 30 %, compared to transportation via the Suez Canal. The new corridor, once operational, will be a game changer for the international maritime trade. Therefore, it is important to understand how the idea has shaped since its announcement and what lies ahead of it.

Progress on both ends

The normalisation of Arab-Israel relations, the very premise which led to the conception of this idea came to a sudden halt with the escalation of the conflict between Israel and Palestine on October 7 last year. The crisis engulfed the whole of West Asia for the larger part of the year. The two key stakeholders, Saudi Arabia and Jordan, have not been able to make any progress on the project. Though it may be argued that the official relations between Arab countries and Israel won't impact completion of work on the ground, the two governments, which will have to work closely with the Israeli establishment for the project, would not want the optics and its geopolitical dimension. The implementation on the northern part of the corridor, which is mostly in West Asia, is going to move slowly until the ongoing escalation subsides.

The eastern leg of the India-Middle East-Europe Corridor (IMEC) connecting the United Arab Emirates (UAE) and Indian ports are moving forward at a relatively fast pace. The economic relations of the India and United Arab Emirates (UAE) are on a northward trajectory, which is also reflected in the increasing bilateral trade numbers. The India – UAE bilateral trade has grown from \$ 43.30 billion in 2020-21 to \$ 83.64 billion in 2023-24 (a staggering 93 %) post the signing of the Comprehensive Economic Partnership Agreement (CEPA) in 2022. The non-oil trade between India and the UAE grew from \$ 28.67 billion in 2020-21 to \$ 57.81 billion in 2023-24. The diversification of the trade basket between the two countries, reflected in the growing non-oil trade represents a healthy shift from an Indian perspective. Most of these commodities will be transported further west and north through the IMEC, thereby improving India's export share in the larger region.

India and United Arab Emirates (UAE) are also working on the standardisation and facilitation of trade processes, beyond amplifying trade volumes. Recently, India and the UAE launched the Virtual Trade Corridor, an integral part of the IMEC, aimed at the reduction of administrative processes and time, reduction of logistics and transportation costs, and ease of doing trade. The streamlining of trade processes would not only serve bilateral relations, but also pave the way and provide a working model for other countries involved in the IMEC to develop similar frameworks for cross-border trade facilitation.

After more than a year since the IMEC was announced, we see an uncertain western part of the corridor trying to navigate through the conflict and a committed eastern part that is forging new linkages to ready itself for the new maritime order. Further, given the one-year progress and the situation on the ground, it is clear that only the connectivity aspect of the IMEC initiative is gaining some traction at the moment. Other elements of the corridor, including clean energy export, undersea fibre-optic cables and pipelines, energy grid linkages, telecommunication lines, and clean energy technology cooperation, will have to wait till the situation in West Asia normalises. Therefore, the countries on the eastern part of the corridor should use this time to develop their capacity to improve connectivity among them.

What India can do

India, especially, can use this time to prepare its ports, develop specific economic zones along the connectivity nodes, and improve its domestic logistics for seamless integration with the IMEC. There is a need to improve the digital footprint in the domestic logistics landscape, which will help reduce logistics time and costs, thereby making Indian exports

more competitive. The actual benefits will be seen only if India can improve its integration in the global value chains. With IMEC, India aims to position itself as a global supply chain alternative. This can only happen if the country takes steps towards enhancing its manufacturing competitiveness.

Finally, it is time to push for the IMEC secretariat, which can make the structure and working of the IMEC more organised. For starters, the secretariat can work on developing the framework for streamlining the cross-border trade processes and empirical evidence-based research on benefits accruing to participating countries. This would help countries in the neighbourhood of the corridor to better understand the project. This may end up generating interest, which could result in them joining it.

Centre plans to conduct quality checks for weaving machines from next year

ECONOMICS & DEVELOPMENT



CONTEXT: The Union Ministry of Heavy Industries plans to introduce a Quality Control Order (QCO) for weaving machines or looms, their assemblies, sub-assemblies, and components and all types of embroidery machinery from August 2025.

The Ministry via Machinery and Electrical Equipment Safety (Omnibus Technical Regulation) Order, 2024 in an order dated August 28, 2024 make Bureau of Indian Standard (BIS) licence mandatory for these machinery. The domestic textile machinery manufacturers have welcomed the move, while the weaving industry has urged the Centre to reconsider the proposal. The European weaving machines operate at almost 1,600 rpm, the Indian machines go up to only 750 rpm. Shuttle looms

currently installed in the country are almost fully imported. Sri Lanka has a special package and is now buying used powerlooms from India. The Textile Machinery Manufacturers Association (India) claims that only 10 % of the imported machinery are high-end looms and the rest of the weaving machinery that are imported are second-hand, refurbished or assembled. These are 30 % cheaper than Indian machinery.

Trump makes new appointments, Rubio tipped for Secretary of State

INTERNATIONAL RELATIONS



CONTEXT: U.S. President-elect Donald Trump announced new members of his incoming administration on Monday.

US Senator from Florida Marco Rubio is expected to be appointed as Secretary of State. Congressman Michael Waltz is expected to be appointed as National Security Advisor (NSA). Both Rubio and Waltz have notably hawkish views on China, which they see as a threat to U.S. economic and military might.

Mr. Trump's "America First" foreign policy promised to end the wars raging in Ukraine and West Asia, and avoid any more U.S. military entanglements. Mr. Trump has vowed his second stint in power will result in a radical shake-up of the federal government. U.S. media also reported that Stephen Miller, the author of Mr. Trump's so-called "Muslim ban" immigration policy during his first

term, was set to be his deputy chief of staff with a broad portfolio.

Lee Zeldin would be proposed as Environmental Protection Agency (EPA) chief with a mandate to slash climate and pollution regulations that are considered red tape by businesses. Top nominations, including for Ms. Stefanik, Mr. Zeldin as

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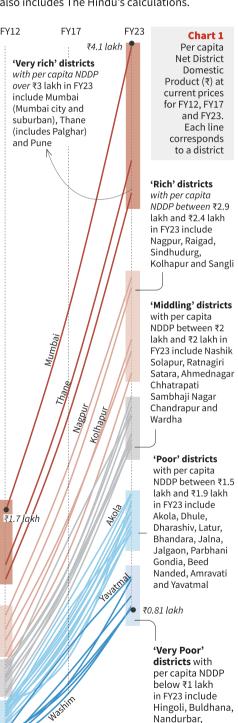
well as the Secretary of State, would need approval by the Senate, but Mr. Trump is hoping to bypass oversight from the upper chamber by making appointments while it is in recess.

Gap widens between Maharashtra's richest and poorest districts

ECONOMICS & DEVELOPMENT

Rich districts get richer

The data for the charts was sourced from Maharashtra's Directorate of Econmics and Statistics and Lok Dhaba. It also includes The Hindu's calculations.



Gadchiroli and Washim

FY23

Chart 2 Average per capita Net District Domestic Product (₹) at current prices between FY12 and FY23, across five types of districts: very rich, rich, middling, poor and very poor

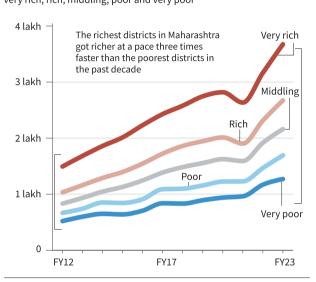
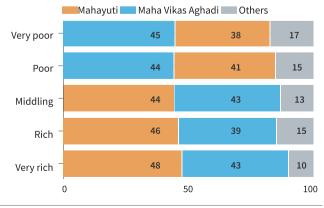


Chart 3 Sector-wise share in Gross District Value Added in FY12, FY17 and FY23 across five types of Maharashtra's districts: very rich, rich, middling, poor and very poor. (Figures in %)

	Primary			Secondary			Tertiary		
	FY12	FY17	FY23	FY12	FY17	FY23	FY12	FY17	FY23
Very rich	10.7	7.6	5.5	33.7	30.1	26.3	55.7	62.3	68.2
Rich	21.4	18.7	16.1	29.6	26.5	23.4	49.0	54.8	60.6
Middling	22.5	20.4	20.6	29.2	25.9	22.1	48.3	53.6	57.3
Poor	26.4	24.7	23.1	27.7	24.5	21.4	45.9	50.7	55.5
Very poor	31.5	30.4	24.9	25.8	22.7	20.9	42.7	46.9	54.2

Chart 4 Vote share secured by the Mahayuti and Maha Vikas Aghadi alliances in the 2024 general elections across the five types of Maharashtra's districts: very rich, rich, middling, poor and very poor. (Figures in %)



₹0.52 lakh

Progress made in India-Russia trade: Jaishankar

INTERNATIONAL RELATIONS

CONTEXT: External Affairs Minister S. Jaishankar acknowledged challenges to trade with Russia, especially in regard to payments and logistics, but perceptible progress has been made in that regard.

Russian First Deputy Prime Minister Denis Manturov noted fivefold growth in trade turnover in the past five years, and India was now the second country among all the foreign economic partners of Russia.

The 25th session of India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation co-chaired by Mr. Jaishankar along with Mr. Manturov discussed joint endeavours in regard to connectivity, such as the International North-South Transport Corridor, the Chennai-Vladivostok Corridor and the Northern Sea Route, besides discussing cooperation critical for our food, energy and health security. Russia has emerged as a major source of fertilizers, crude oil, coal and uranium. Similarly, India's pharmaceutical industry has emerged as an affordable and reliable source for Russia.

External Affairs Minister S. Jaishankar seeks to achieve the trade target of \$ 100 billion by 2030, while noting that the impressive growth in bilateral trade to \$ 66 billion and acknowledged the need to be more balanced and more facilitative for easier trade.

Since the war in Ukraine and Russia's ouster from the international SWIFT payment system, payments have emerged as a major bottleneck between the two countries, even as India's oil imports from Russia increased manifold. Both sides have been trying to increase the rupee-ruble trade and have also created Vostro accounts to encourage businesses to trade in local currencies.

The deliberations at 25th session of India-Russia Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation covered the complimentary and beneficial India-Russia economic and trade cooperation, reinforcing critical food, energy & health security and facilitating mobility of talent and skills. At the conclusion, India and Russia committed among other things, to the signing of the Free Trade Agreement between the Eurasian Economic Union (EEU) and India, as well as the bilateral agreement on services and investments.

DRDO carries out test of long-range cruise missile

INTERNAL SECURITY

CONTEXT: Defence Research and Development Organisation (DRDO) conducted the maiden flight-test of a Long Range Land Attack Cruise Missile (LRLACM), a new variant of Nirbhay LRLACM with improved features with a range of 1,000 km, from the Integrated Test Range, Chandipur off the coast of Odisha from a mobile articulated launcher.



The Defence Acquisition Council had approved procurement of the Long Range Land Attack Cruise Missile (LRLACM) in July 2020. The missile has been developed by the Aeronautical Development Establishment, Bengaluru. Once inducted, the Long Range Land Attack Cruise Missile (LRLACM), similar to U.S. Tomahawk cruise missile, will give Indian armed forces a long-range standoff capability to strike targets on land.



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India, Bangladesh to make land ports always operational

INTERNATIONAL RELATIONS

CONTEXT: India and Bangladesh on Tuesday discussed making certain land ports operational for 24 hours a day, seven days a week.

India and Bangladesh discussed the facilitating the movement of Bangladesh's trucks carrying exports to Nepal and Bhutan through the Burimari and Banglabandha ports along the border in North Bengal. The Land Ports Authority of India (LPAI) hosted the sixth sub-group meeting on infrastructure with the Bangladesh Land Port Authority (BLPA).

India emphasised the importance of India-Bangladesh cooperation and commended the progress made in projects, including the completion of the second cargo gate at Petrapole-Benapole on the West Bengal border. The Bangladeshi delegates highlighted the infrastructure facilities provided by BLPA, mentioning the crucial role of 17 land customs stations in connecting India's north-eastern States to Bangladesh.

In Baku breakthrough, COP clears carbon credit trade

ECOLOGY & ENVIRONMENT



CONTEXT: Countries assembled in Baku for the annual climate conference, CoP 29, voted on Tuesday to clear a much-delayed agreement to finalise a global carbon market that allow countries to trade carbon credits — Certified Reductions of Carbon Emissions — among themselves, and the prices of these instruments are determined as a consequence of emission caps imposed by countries.

Article 6 in the Paris Agreement deals with the constitution of the market. Sub-sections of the Article spell out how countries can bilaterally trade carbon among themselves (Article 6.2) and participate in a global carbon market (6.4). Finalising Article 6 negotiations could reduce the cost of implementing national climate plans by \$ 250 billion per year by enabling cooperation across borders.

There have been several rounds of talks involving the parties (country signatories to the Paris

Agreement) on these outstanding concerns that are raised. Last month, a UN supervisory body, which will be the ultimate arbitrator of the market, set out a draft text that laid out the standards for carbon removal and assessing projects.

A key issue surrounding carbon markets is accounting. For example, a company in a developed country finances an afforestation project in a developing country and this theoretically prevents 1,000 tonnes of carbon from being released into the atmosphere. Will this saved carbon be part of the developed country's ledger of saved credits when the actual prevention is happening elsewhere? At what stage of a renewable energy project's life-cycle will a generated credit be considered eligible for trade? Can countries claim credits generated in their own borders, financed by foreign companies, and count them towards their Nationally Determined Contributions (NDC)?



"If you invest more in your education, then you are likely to get more interest in it."

-Benjamin Franklin

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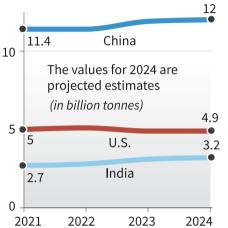
CO2 emissions set to to rise 0.8 % this year, India's contribution to go up by 4.6 %

ECOLOGY & ENVIRONMENT

Turning up the heat

The 2024 Global Carbon Budget projects fossil carbon dioxide (CO2) emissions of 37.4 billion tonnes, up 0.8% from 2023.





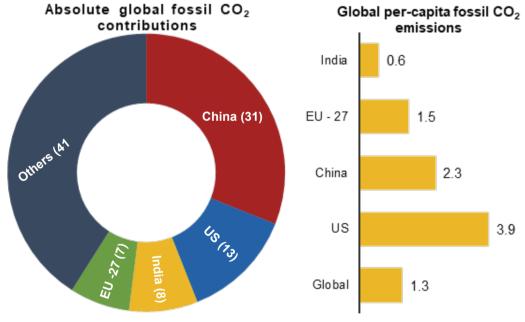


FIGURE: (a) Pie chart representation of the absolute contributions to global fossil CO2 (carbon dioxide) emissions in 2023. (b) Bar chart representation of the global per-capita fossil CO2 emissions in 2023.

CONTEXT: Countries have congregated in Baku, Azerbaijan to deliberate on the ways to cut carbon emissions, a peer-reviewed report by a scientist collective has found that carbon emissions are set to rise 0.8 % in 2024 over last year's, lower than the 1.2 % rise in 2023, over that of 2022.

In 2023, the largest absolute contributions to global fossil CO2 (carbon dioxide) emissions were from China (31 %), the United States (13 %), India (8 %), and the EU-27 (7 %). These four regions account for 59 % of global fossil CO2 emissions, while the rest of the world contributed 41 %. EU-27 represents 27 of the most economically developed European countries. The global per-capita fossil CO2 emissions in 2023 were 1.3 tonnes of carbon per person per year. They were 3.9 in the U.S., 2.3 for China, 1.5 for the EU-27 and 0.6 for India.

Fossil emissions by the end of the year are expected to increase by 4.6 % in India and 0.2 % in China — though these are strictly not comparable in absolute terms and the bases are incomparable. By the year-end, China is expected to emit 12 billion tonnes of carbon dioxide, compared with India's 3.2 billion tonnes and the United State's 4.9 billion tonnes, which is a 0.6 % decrease over the previous year.

The Global Carbon Budget (GCB), as this collective of approximately 120 scientists is called, publishes annual peer-reviewed estimates of changes in atmospheric carbon and the broad causes driving those changes.

Emissions from coal, oil and gas in 2024 are expected to be slightly above their 2023 levels (by 0.2 %, 0.9 % and 2.4 %, respectively). Global CO2 **emissions**

from land-use, land-use change, and forestry (LULUCF) averaged 1.1 billion tonnes of carbon per year. The concentration of CO2 in the atmosphere is set to reach 422.5 ppm (parts per million) in 2024, which is 52 % above pre-industrial levels.

While the Paris Agreement explicitly states that the world must strive to prevent temperatures from exceeding 20 C of pre-industrial levels, global conversation since 2020 has moved towards the section of the Agreement that says to "strive to keep it below 1.50 C". Several countries' voluntary carbon reduction actions, called Nationally Determined Contributions (NDCs), at least on paper, project reducing emissions aligned with a 1.50 C pathway. However, the GCB report is pessimistic. This study estimates there is a 50 % chance that the remaining "carbon budget", or the quantity of carbon that

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can be held in the atmosphere, before the 1.50 C target is breached consistently in about six years. In January 2024, the mean global temperature when recorded over the previous 12 months, crossed that mark.

CJI urges lawyers to desist from oral mentioning of cases for early hearing

POIITY & GOVERNANCE

CONTEXT: Chief Justice of India (CJI) Sanjiv Khanna on Tuesday urged lawyers to desist from making unlisted, out-of-turn oral mentioning of their cases in court for early hearing.

The Chief Justice advised lawyers to continue to follow the current practice of stating their urgency beforehand by email or in writing to the Supreme Court Registrar so that their mentioning could be promptly listed before the appropriate Bench. The Chief Justice is usually chock-a-block with lines of lawyers seeking urgent listing of their cases, some even asking for a hearing the same day.

"Oral mentioning" is a convention by which lawyers short-circuit the long-winded filing procedures and make a direct appeal to the CJI, who is the court's administrative head and master of roster, for early hearing. The CJI takes a call on the spot, after glancing through the case papers, on whether the case deserves to be heard out-of-turn. Hearing a case out-of-turn would mean pushing other cases off the list. The process of oral mentioning used to consume a large portion of the morning hours of the court.

Justice D.Y. Chandrachud, during his tenure as Chief Justice, had begun the system of publishing a separate list for oral mentioning in a bid to limit them to a handful a day. His successor and current Chief Justice is adhering to the same practice as of now. However, despite efforts to bring order, Chief Justice Chandrachud had to permit unlisted oral mentioning in cases involving death penalty, demolitions, eviction, imminent arrests and so on.

SC slams Centre for inaction over direction on sex trafficking

POIITY & GOVERNANCE

CONTEXT: The Government is yet to implement "comprehensive legislation" against sex trafficking even nine years after a Supreme Court direction in December 2015.

A Bench headed by Justice P.B. Pardiwala found on Tuesday that the direction to the Home Ministry on December 9, 2015, to set up a dedicated body to probe sex trafficking was discarded. The proposed Organised Crime Investigative Agency, or OCIA, which was supposed to be functional before December 1, 2016 did not see the light of the day.

Law pending

An effort to pass a special law, the Trafficking of Persons (Prevention, Care and Rehabilitation) Bill, 2018, is also stuck. The government, represented by Additional Solicitor-General Aishwarya Bhati, could only point to amendments made to expand the ambit of the National Investigation Agency (NIA) to include the offence of human trafficking. The court further asked the government to address it on steps taken to counter the "considerable increase in cyber-enabled sex-trafficking".



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Debating the 'healthy longevity initiative'

INTERNATIONAL RELATIONS

CONTEXT: The World Bank report 'Unlocking the Power of Healthy Longevity: Demographic Change, Non-communicable Diseases, and Human Capital' was published in Washington DC in September 2024.

There is a significant demographic shift in Low- and Middle-Income Countries (LMICs), where aging populations and the rise of Non-Communicable Diseases (NCDs) are leading to increased mortality. Currently, most NCD-related deaths occur in LMICs, and projections suggest global deaths will rise from 61 million in 2023 to 92 million by 2050, with a corresponding surge in hospitalizations and long-term care needs. However, if LMICs can make substantial progress in addressing NCDs, it could prevent 25 million deaths annually by 2050, helping to meet the Sustainable Development Goals (SDGs). In response, the World Bank proposes a Healthy Longevity Initiative (HLI), which focuses on reducing avoidable death and disability across the life course, enhancing physical, mental, and social well-being in older ages. The feasibility of achieving these goals, particularly in India, remains uncertain.

The idealized vision of the World Bank's Healthy Longevity Initiative (HLI), which imagines an accessible and competent healthcare system in LMICs, with well-trained staff, modern hospitals, and widespread early detection of NCDs. However, it points out the stark contrast between this ideal and the reality, where issues like corrupt doctors, exploitative hospitals, unsafe medicines, and logistical barriers for patients are common. The passage argues that the objectives of reducing NCDs in such contexts must be more modest and achievable. It mentions a recent study on the growing NCD burden in India as a step toward developing a more realistic approach.

India's elderly population, disease concerns

The passage highlights that India has the world's second-largest elderly population, with 140 million people aged 60 and above, a number growing at a rate three times higher than the overall population. The rapid rise of non-communicable diseases (NCDs) among India's elderly, such as cardiovascular diseases, cancer, and diabetes, poses significant risks, including family impoverishment, increased mortality, and slowed economic growth. The government faces the dual challenge of managing both the fiscal burden of NCDs and ongoing infectious diseases. The Lancet report (2018) warns that without timely strategies and investments, India's ability to meet Sustainable Development Goal 3 (good health and well-being) and its target of reducing premature mortality from NCDs by one-third by 2030 will be at risk.

The rising burden of non-communicable diseases (NCDs) in India, with NCDs accounting for 40 % of all mortality in 1990 and projected to make up 75 % of all deaths by 2030. Cardiovascular diseases, cancer, respiratory illnesses, and diabetes are currently the leading causes of death, responsible for nearly half of all deaths in India. The increase in NCDs is linked to common risk factors such as tobacco use, alcohol abuse, and obesity, driven by sedentary lifestyles and unhealthy diets. Additionally, many rural populations lack regular access to primary healthcare for screenings, exacerbating the challenge of early detection and prevention.

Impact of social security schemes

The focus here is on diabetes and heart diseases. The writers of this article examine whether participation in social security measures/schemes reduces the prevalence of two specific NCDs followed by whether utilisation of medical services/hospital visits also reduces the prevalence of NCDs. As the India Human Development Survey 2015 is the only all-India panel survey to date, the analysis is based on this survey, supplemented by Longitudinal Aging Study in India (LASI 2017-18) conducted jointly by the International Institute for Population Sciences (IIPS) and Harvard School of Public Health.

Even though pension amounts are meagre, they supplement scanty resources of the elderly poor in covering health-care expenses and thus reduce the NCDs. For treatment of such diseases, hospital visits are unavoidable. However, travel costs, fees and costs of medicines impose a huge financial burden, resulting in large out-of-pocket expenditure and indebtedness and immiseration. While health insurance is useful in restricting the financial burden, this potential is far from fully realised due to limited awareness of eligibility requirements, elaborate documentation, delays in payments, and rejection of claims.

Diets high in refined grain intake cause an increased risk of premature coronary artery disease while rice intake beyond a threshold causes diabetes. Higher intake of red meats such as beef, pork and mutton also contribute to higher risks of diabetes and heart diseases. Besides, a rise in the price ratios of fat-dense foods (sugar and oil) aggravates the risk of both diabetes and heart disease.

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Confirming the age gradient, the risks of diabetes and heart diseases are positively associated with age. There are various reasons why diabetes rises with age such as a sedentary lifestyle, high-calorie diet, visceral adiposity, and high genetic predisposition mellitus (type 2) diabetes among Indians at a much younger age and at a lower body mass index (BMI) than the western population.

Of particular importance is the Ayushman Bharat Scheme that aims to provide health insurance coverage to the bottom 40% of households. But its potential has been far from fully realised due to inadequate funding and stringent eligibility requirements, and colossal corruption as revealed by the Comptroller and Auditor General of India (CAG) 2023 (for example, large numbers of ineligible beneficiaries, long delays in empanelment of hospitals, surgeries performed after discharge, and utilisation certificates without signature of competent authorities). However, insurance alone might not be sufficient to achieve access to quality care, which depends on health-care infrastructure, provider availability, and local culture.

Hospital expenses

As private hospitals are notorious for inflated prices of health care, the Supreme Court of India directed the central government in February 2024 to find ways to regulate the rates of hospital procedures. As the Court observed, pricing decisions must be informed by a benchmark for price determination. While price caps do influence actors' behaviour by making them follow the regulations, these effects tend to be temporary when enforcement mechanisms are weak. Behavioural changes are no less important, and perhaps also no less challenging. Lack of physical activity and unbalanced

Behavioural changes are no less important, and perhaps also no less challenging. Lack of physical activity and unbalanced high-calorie diet promote weight gains. Obesity is a risk factor for cardiovascular diseases and diabetes and can aggravate risks of cardiovascular disease such as emphysema and bronchitis. Limiting tobacco consumption is expected to have benefits at the individual level but wider reduction in multi-morbidity prevalence requires taxation on unhealthy products.





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