# **Regent Education & Research Foundation**

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## **GENERAL STUDIES - I**

# **Geography**

## **Heat Wave and the Worker**

As northern India faces an intense heat wave, the most vulnerable are the workers, especially those engaged in hard physical labour.

**Delhi has reported temperatures surpassing 50 degrees Celsius**, creating severe and lifethreatening conditions for labourers.

The death of a 40-year-old worker due to extreme heat has prompted the Lieutenant Governor's office to issue guidelines and this intervention highlights the urgency and severity of the situation for those who work under the scorching sun.

#### **Existing Heat Action Plan and Gaps in these Policies** -

- Existing Heat Action Plans -
  - Heat Action Plans (HAPs) are designed to help government departments prepare for and respond to heat waves.
  - These plans, as mandated by the National Disaster Management Authority (NDMA), are intended to be comprehensive, covering city, district, and state levels.
  - While HAPs have been instrumental in reducing casualties, they often fail to address the specific needs of different vulnerable groups, particularly informal urban workers.
  - Many cities in India lack HAPs, and existing ones rarely include detailed provisions for workers, focusing instead on a broad "outdoor workers" category without specific interventions.
- Inadequate Coverage and Implementation
  - Although the National Disaster Management Authority (NDMA) mandates the drafting of HAPs at city, district, and state levels, many regions still lack comprehensive plans.
  - In many cities where HAPs do exist, their implementation is often inconsistent and lacks depth.
  - This inconsistency means that the benefits of HAPs are not uniformly experienced across different areas, leaving many vulnerable populations, particularly in urban environments, without adequate protection.
- Insufficient Focus on Informal Workers
  - Existing HAPs largely overlook the specific needs of informal workers, who constitute a significant portion of the urban workforce.
  - These workers include construction labourers, street vendors, domestic workers, and home-based workers, all of whom face unique challenges during heat waves.
  - When HAPs do mention workers, they often refer generically to outdoor workers without acknowledging the diverse and specific needs of different types of labour.
  - This lack of specificity results in insufficient and inappropriate interventions that fail to address the actual conditions faced by these workers.
- Short-Term, Reactive Approach
  - Many HAPs adopt a short-term, reactive approach focused on immediate relief measures rather than long-term solutions.
  - This **approach is evident in the ad hoc nature of interventions** such as temporary water provision and altering work hours during peak heat periods.
  - While these measures provide immediate relief, they do not address the underlying vulnerabilities that worsen the impact of heat waves on workers.
  - There is a need for HAPs to integrate with broader urban planning and climate action plans to ensure sustainable and resilient solutions.
- Rural Bias in Planning
  - HAPs are often designed with a rural bias, neglecting the unique challenges of urban environments.

- Urban areas experience the "heat island effect," where dense infrastructure and reduced vegetation contribute to higher temperatures.
- Informal settlements in cities, where many workers live, are particularly vulnerable due to poor housing conditions and limited access to basic services.
- Lack of Integration with Urban Planning
  - HAPs often operate in isolation from other urban planning and development initiatives and **there is little coordination between HAPs and urban design**, housing policies, or infrastructure development.
  - This lack of integration means that opportunities to create more heat-resilient urban environments are missed.
  - For example, urban greening, improved housing designs, and better urban mobility can significantly reduce heat exposure and improve the quality of life for informal workers, but these measures are rarely considered in HAPs.
- Absence of Worker Participation
  - Another critical gap is the **lack of participation from worker communities** in the development and implementation of HAPs.
  - Informal workers, who are most affected by heat waves, often have valuable insights and practical knowledge about their working conditions and the specific challenges they face.
  - Their exclusion from the planning process results in measures that may not be practical or effective.

#### Policy recommendations -

- Reconceptualising Heat Waves
  - There is an urgent need to treat heat waves as prolonged disasters rather than conventional events, linking HAPs with long-term urban planning and climate action plans.
  - The NDMA should collaborate with urban stakeholders like the Ministry of Housing and Urban Affairs (MoHUA) and the Ministry of Labour and Employment (MoLE).
- Worker Participation
  - Worker communities must have a voice in the preparation of action plans.
  - The government should engage worker welfare boards and committees like the Town Vending Committees (TVC) for street vendors in drafting and implementing HAPs.
  - Engaging worker welfare boards and similar organisations in the drafting of HAPs can lead to more tailored and impactful interventions.
- Gender-Specific Needs
  - The impact of heat waves is not gender-neutral. **Women workers, who make up a large portion of the informal workforce, face additional challenges** that are often overlooked in HAPs.
  - These include increased care responsibilities, health risks related to reproductive health, and greater exposure to heat in domestic and care work settings.
  - HAPs need to incorporate gender-specific measures to address these challenges, ensuring that interventions are equitable and inclusive.
- Economic and Health Protection
  - The economic and health impacts of heat waves on informal workers are profound, yet HAPs rarely include measures to mitigate these effects comprehensively.
  - Informal workers often face income loss due to reduced working hours and increased expenses on health care and protective measures.
  - There is a need for HAPs to include provisions for income protection, such as compensation for lost wages, and access to affordable health care.
  - Additionally, social protection systems should be strengthened to provide a safety net for workers during extreme heat events.
- Rethinking Labor Laws
  - As labour laws and the Labour Codes are reformed, integrate considerations of climate change and its impact on work.
  - This integration ensures that labour laws are responsive to the new challenges posed by extreme heat and other climate-related events.

- There is a need to extend legal protections to informal workers, ensuring they have the same rights and benefits as formal workers.
- This includes provisions for safe working conditions, fair wages, and access to social security.
- Urban Reimagining
  - The **government should consider redesigning urban spaces** to make the needs of informal workers visible and prioritised.
  - This redesign includes ensuring access to water, shade, and rest spaces in public and work areas.
  - Also, there is a need for more investment in urban infrastructure that mitigates the impact of heat waves.
  - This includes increasing green spaces, improving housing conditions in informal settlements, and enhancing public transportation.

#### **Conclusion -**

- The brutal heat wave in northern India has underscored the urgent need for comprehensive and inclusive measures to protect the most vulnerable workers.
- By integrating long-term planning, inclusive policies, and worker participation, India can better safeguard its informal workforce against the devastating impacts of extreme heat.
- Ensuring that cities are designed with workers' needs is crucial for developing a more resilient and equitable urban environment.

#### **Source - The Indian Express**

<u>QUESTION</u> - Critically examine the existing Heat Action Plans in India and suggest policy interventions to make them more inclusive and responsive to the needs of informal urban workers during extreme heat waves.

# **Social Issues**

## Redistribution as a tool against Inequality?

According to the Researchers from the Paris School of Economics, inequality in modern India surpassed that of colonial periods. In this context, the article tries to analyse the concept of inequality and how redistribution policies can be used to reduce it.

#### **Argument For and Against Inequality -**

- According to some researchers, some form of inequality is actually beneficial, since it encourages entrepreneurs to launch businesses, boosting employment and well-being for others.
- However, for some researchers, inequality can only have deleterious economic-political effects.
  - For example, inequality harms democratic processes and results in the concentration of monopoly power amongst capitalists relative to labour.
  - This can have negative effects on consumption, welfare, and growth.
  - To deal with the situation, they suggest wealth taxes and distribution policies can be a good option.

#### **Business Monopoly and Inequality -**

- Because they are the dominant players in their specific market, monopolies allow enterprises to set their own pricing for their goods instead of being determined by the market.
- This may lead to the phenomenon known as "greedflation," which refers to businesses boosting prices to boost profit margins.
- Thus, the presence of monopolies **can lead to lower real wages**, resulting in the rise of economic inequality in the society.

#### How business monopoly leads to Inequality?

- Condition favourable for workers Role of 'multiplier' effect
  - When a company decides to set up a new factory, wages are paid out to workers to build it.
  - This income of the workers is spent on purchasing goods, which increases the income of goods-sellers and whose increased income results in purchases of other goods.
  - Thus, the total increase in the income of workers and goods-sellers is greater than the initial investment.
  - This process is called the 'multiplier' effect, wherein investment raises incomes by a greater proportion than the initial investment.
- Companies exercise monopoly
  - Real wages of workers are lower and they can only purchase lesser items.
  - However, companies will enjoy the same amount of profits from the sale of a lesser amount of goods (because of higher margins).
  - The increase in income from a given amount of investment will be lesser under monopoly because of reduced consumption power.
  - Thus, investment will have a weaker effect on growth under monopoly (while the profits earned by the companies remain the same).
- Can the consumption of the rich help boost growth?
  - Wealthy people consume more in total, but they consume a lesser percentage of their income.
  - As a result, an unequal economy will give people who are more likely to consume less income, which will hinder economic growth.

#### **Could Redistribution of Wealth Help Reduce Inequality?**

- No
  - Investment occurs under the influence of future profit expectations, while wealth is accumulated past profits.
  - A high tax regime would deter entrepreneurs from accumulating wealth, which would diminish investment and employment.
- Yes
  - Taxing billionaires and providing basic income to the poor might cause some to exit the economy, but can create a new class of entrepreneurs and boost start-ups.
  - If monopolies are curtailed, then prices would be lower and real wages higher, leading to greater demand.
- Conclusion
  - Redistribution is not a silver bullet, and an economy may suffer from having excessively high tax rates.
  - Thus, if redistribution is combined with other policy measures, inequality can be reduced.

#### **Source - The Hindu**

<u>QUESTION</u> - Analyse the concept of inequality in modern India, its economic-political impacts, and the role of business monopolies in exacerbating it. Evaluate the arguments for and against inequality and discuss the effectiveness of redistribution policies in addressing it. Suggest balanced policy measures to reduce inequality.

## Juvenile Injustice for children

The Pune car crash case has once again highlighted significant shortcomings within India's criminal justice system, especially concerning the treatment of juveniles.

While the incident undoubtedly requires appropriate punitive measures, it also necessitates a closer examination of the systemic failures affecting juveniles in conflict with the law.

It is equally important to assess **key issues including bail policies**, **the placement of minors in observation homes**, **procedures for trying minors as adults**, and parental liability.

#### Legal Framework of Juvenile Justice System -

- The enactment of the Juvenile Justice (Care and Protection of Children) Act in 2015 marked a significant milestone in India's juvenile justice system.
- This legislation categorically prohibited the detention of children in conflict with the law in adult prisons, irrespective of the nature of their alleged offences.
- It mandated the placement of such children in observation homes or places of safety, ensuring their protection and rehabilitation in accordance with their age and developmental needs.
- Moreover, the Juvenile Justice Board was empowered to conduct regular inspections of prisons to ascertain compliance with the law and intervene when violations were detected.
- These legal provisions aimed to address the systemic inadequacies identified in previous incidents and ensure the effective implementation of juvenile justice principles across the country.

#### Systemic Inadequacies in India's Juvenile Justice System -

- Detention of Minors into Adult Prison
  - A recent nation-wide study revealed that between 2016 and 2021, at least 9,681 children in conflict with the law were transferred from adult prisons to child-care institutions.
  - This data underscores a persistent issue rather than an anomaly. In 2012, a study a Kolkata prison uncovered over **50 juveniles detained alongside adults.**
  - This led to public interest litigation and subsequent directives from the Calcutta High Court in 2013 to prevent such occurrences.
- Recurrence of Juvenile Detentions in Adult Prisons
  - Between 2017 and 2019, inspections in Haryana, Punjab, and Karnataka prisons revealed 75 juveniles detained illegally.
  - Common narratives from these children included police misrepresentation of age, lack of explanation of their rights, delayed or absent legal representation, and infrequent inspections by relevant authorities.
  - These recurring issues are not restricted to specific states, indicating widespread systemic failures.

#### **Procedural and Constitutional Gaps** -

- Constitutional Guarantees
  - Article 22 guarantees the right to consult and be defended by a legal practitioner upon arrest, while the Supreme Court has extended this right to suspects during questioning.
  - However, the practical implementation of these constitutional guarantees remains fraught with challenges.
- Lack of Procedural Mandates
  - One of the key challenges is the absence of procedural mandates outlining the implementation of the right to legal representation during questioning or interrogation.
  - While the Constitution and statutory provisions establish the right to legal counsel, there are no specific guidelines requiring law enforcement agencies to ensure legal representation at the time of arrest or questioning.
  - This lack of procedural clarity creates opportunities for violations and undermines the effective protection of individuals' rights.
- Delayed Legal Representation
  - Despite mandates requiring immediate notification of the district legal services authority upon apprehension of a child, there are no clear procedures delineating the timeframe for assigning legal counsel and ensuring their prompt interaction with the child.
  - As a result, many juveniles may remain without legal representation for extended periods, compromising their ability to assert their rights and defend themselves effectively.
- Consequences of Procedural Violations
  - Furthermore, there is a lack of clarity regarding the consequences of procedural violations, such as the absence of legal representation during questioning or interrogation.
  - While the right to legal counsel is recognised, there are no provisions specifying the repercussions for law enforcement agencies or the admissibility of evidence obtained in violation of this right.

- This ambiguity undermines the accountability of authorities and fails to deter procedural violations, perpetuating injustices within the criminal justice system.
- Impact on Juveniles in Conflict with the Law
  - These procedural and constitutional gaps have profound implications for children in conflict with the law, who may be particularly vulnerable to rights violations.
  - Without timely and effective legal representation, juveniles may be at greater risk of wrongful convictions, prolonged detention, and denial of their rights to due process and fair trial.
  - The lack of procedural safeguards exacerbates their vulnerability and undermines the principles of juvenile justice and rehabilitation.

#### The Importance of Pre-Trial Safeguards -

- Protection of Rights
  - Pre-trial safeguards serve as a bulwark against potential rights violations during the early stages of criminal proceedings.
  - For juveniles, who may lack the maturity and understanding to navigate the complexities of the legal system, these safeguards are particularly critical.
  - By providing access to legal representation, ensuring prompt notification of rights, and prohibiting coercive interrogation tactics, pre-trial safeguards help safeguard the rights of children and prevent abuses of power by law enforcement authorities.
- Fairness and Equity
  - Ensuring pre-trial safeguards promotes fairness and equity in the criminal justice process.
  - By guaranteeing access to legal counsel and facilitating informed decision-making, these safeguards level the playing field for individuals, regardless of their socio-economic status or background.
  - For children in conflict with the law, who may be disproportionately affected by systemic inequalities, pre-trial safeguards are essential for mitigating disparities and ensuring equal treatment under the law.
- Prevention of Wrongful Convictions
  - Pre-trial safeguards play a critical role in preventing wrongful convictions and miscarriages of justice.
  - By providing access to legal representation and ensuring procedural fairness, these safeguards help minimise the risk of coerced confessions, false testimonies, and other injustices that can lead to wrongful convictions.
  - For juveniles, who may be particularly susceptible to pressure and manipulation during police interrogation, pre-trial safeguards are essential for protecting their innocence and preventing wrongful outcomes.
- Rehabilitation and Reintegration
  - Beyond protecting rights and ensuring fairness, pre-trial safeguards also contribute to the rehabilitation and reintegration of children in conflict with the law.
  - By facilitating access to legal counsel and support services, these safeguards empower juveniles to make informed decisions, advocate for their rights, and engage in rehabilitation programs aimed at addressing underlying issues and preventing future involvement in criminal activity.
  - By prioritising the well-being and rehabilitation of juveniles, pre-trial safeguards promote positive outcomes and contribute to the overall goal of juvenile justice.
- Upholding the Rule of Law
  - Ultimately, pre-trial safeguards are essential for upholding the rule of law and maintaining public trust and confidence in the criminal justice system.
  - By ensuring transparency, accountability, and adherence to legal standards, these safeguards promote the integrity and legitimacy of criminal proceedings.
  - For children in conflict with the law, whose futures hang in the balance, **pre-trial safeguards** are a fundamental pillar of justice and a safeguard against arbitrary or unjust treatment.

#### **Conclusion -**

- **Despite existing laws and directives**, recurring instances of juvenile detentions indicate that relying on after the fact rectifications is inherently flawed.
- To protect the rights of children in conflict with the law, it is crucial to address these gaps and ensure that legal provisions are effectively actualised.
- Without these changes, children will continue to face unjust incarceration in adult prisons, undermining the principles of juvenile justice.

#### **Source - The Indian Express**

<u>QUESTION</u> - Discuss the systemic inadequacies in India's juvenile justice system, highlighting the procedural and constitutional gaps that undermine the rights of children in conflict with the law. Examine the importance of robust pre-trial safeguards in upholding the principles of juvenile justice and fair trial.

## **GENERAL STUDIES - II**

## **Governance**

## **An Agenda for the Next Government**

The 2024 general election results in India have defied market and exit poll expectations presenting a pivotal moment for India's incoming government.

Despite this, the mandate for the incoming government is clear: to create a rapid increase in per capita GDP through accelerated, inclusive, and environmentally sustainable growth.

Therefore, it is important to outline a comprehensive strategy to achieve these objectives by addressing various economic, social, and environmental challenges and opportunities.

#### India's Growth Aspirations and Changing Global Landscape -

- India's growth aspirations must consider the rapidly evolving global context.
- The world is shifting from globalisation to protectionism, with elevated interest rates and diminishing fiscal stimuli.
- Environmental concerns and technological disruptions are also poised to impact many businesses.
- The **incoming government has a multifaceted challenge** to drive rapid, inclusive, and sustainable economic growth.

#### Key Steps for the Incoming Government to Propel India's Growth -

- Addressing Disguised Employment in Agriculture
  - One of India's critical challenges is the disguised employment in the agriculture sector.
  - The country must create sufficient employment opportunities in industry or services, both domestically and internationally.
  - The manufacturing sector faces high power and logistics costs due to subsidies on agricultural power and passenger fares.
  - Strategic divestment of Public Sector Undertakings (PSUs) can raise resources to absorb these subsidies, thereby making manufacturing more competitive and leveraging the China-plus-one opportunity.
- Boosting Consumption and Monetising Gold
  - To stimulate consumption, especially at the lower end of the economic pyramid, a gold monetisation scheme could be implemented.
  - This would bring gold from the parallel economy into the mainstream, generating additional resources and liquidity to support growth.
- Enhancing Agricultural Productivity and Exports
  - Agriculture remains a cornerstone for inclusive and sustainable growth.

- By replicating successful cooperative models like Amul in other commodities, substituting imports with local production, and focusing on agro-product exports, India can create significant opportunities for farmers.
- Bilateral arrangements, such as food-for-oil deals, can further enhance agricultural investments and secure essential supplies.
- Facilitating Free Labour Movement
  - Securing free labour movement through Free Trade Agreements (FTAs) can increase remittances, a crucial source of income for India.
  - Preferential access to markets in exchange for long-term work permits for Indian workers can benefit both trade and labour mobility.
- Providing Skills and Expanding Manufacturing
  - Skill development through institutional mechanisms is vital.
  - Expanding Production Linked Incentive (PLI) schemes can boost manufacturing jobs, particularly in sectors like garments, processed agro products, and engineering.
  - This not only creates jobs but also enhances export potential.
- Supporting Services Sectors
  - Integrated development of the tourism, education, and healthcare sectors is
  - Encouraging the Indian diaspora to act as brand ambassadors can promote these services globally.
  - Developing local ecosystems for travel and education can retain spending within the country and create domestic jobs.
- <u>Unlocking Domestic Savings</u> **Investment is crucial for growth,** and unlocking frozen domestic savings in real estate, gold, and currencies through innovative financial instruments can provide much-needed capital for entrepreneurs.
- Ensuring Rule of Law and Ease of Doing Business
  - A robust judicial infrastructure is essential for investment.
    - Improving judicial efficiency to resolve cases swiftly and creating special economic zones with streamlined processes can significantly enhance the ease of doing business in India.
- Investing in Future Technologies
  - Investing in future technologies through public-private partnerships can position India at the forefront of global technological advancements.
  - Establishing institutes for artificial intelligence and integrating the pharma industry with primary research can drive innovation and growth.
- Promoting Green Growth
  - While India is a low per capita carbon emitter, adopting a green growth model is imperative.
  - Seeking compensation through technology and capital grants for historical emissions can level the playing field globally.
  - Initiatives like carbon credits and emissions tax based on historical contributions can further this cause.

#### Some Other Measures -

- Developing Responsible Mining Policies
  - Balancing local and industrial interests in mining is crucial for sustainable growth.
  - Implementing responsible mining policies, as demonstrated by Odisha, can reduce dependency on coal imports and increase revenue.
- Enhancing Education and Healthcare
  - Sustainable growth requires a healthy and educated populace.
  - Leveraging technology to provide quality education and healthcare, along with publicprivate partnerships, can improve these sectors.
  - Direct Benefit Transfer (DBT) through education coupons can enhance the quality of education for needy citizens.
- Encouraging Financial Literacy
  - Improving financial literacy is essential to prevent suboptimal savings allocation.
  - Initiatives to educate investors can ensure better financial decisions, reducing poverty and promoting economic stability.

#### **Conclusion -**

- The incoming government has a formidable task ahead, but with a comprehensive strategy addressing various economic, social, and environmental challenges, India can achieve accelerated, inclusive, and sustainable growth.
- By focusing on these key areas, the country can navigate the global landscape effectively and ensure a prosperous future for its citizens.

#### **Source - The Indian Express**

<u>QUESTION</u> - Discuss the multifaceted challenges and strategies the incoming Indian government must consider to achieve rapid, inclusive, and sustainable economic growth in the context of the global shift from globalisation to protectionism, elevated interest rates, and environmental and technological disruptions.

## **Property Rights are real**

**Property rights have been a contentious issue in India**, reflecting the dynamic interplay between judicial interpretations and legislative amendments.

The 2nd US President (John Adams) once remarked, **Property is surely a right of mankind as real as liberty and this sentiment underscores the significance of property rights**, which were initially conceived as fundamental rights in India but later relegated to constitutional rights.

The evolution of these rights in post-colonial India is marked by a series of legal battles between the judiciary and the legislature, each seeking to assert its perspective on the sanctity and scope of property rights.

#### The Genesis of Conflict: Bela Banerjee Case and Early Amendments -

- The foundational conflict in the field of property rights can be traced back to the case of Bela Banerjee.
- This case revolved around the interpretation of Articles 19(1)(f) and 31(2) of the Indian Constitution, prior to their amendment.
- The Supreme Court of India, in its verdict, held that the term compensation in Article 31(2) implied a just equivalent of what the owner has been deprived of.
- This interpretation did not sit well with the legislature, prompting the passage of the Constitution (Fourth) Amendment in 1955, which modified Article 31(2) to preclude judicial review of compensation adequacy.
- However, the judiciary found a way to counter this legislative move.
  - The courts ruled that while the final compensation amount was beyond judicial scrutiny, the principles set by the legislature to determine this compensation were not.
- This subtle yet powerful interpretation allowed the judiciary to maintain oversight on the fairness of the compensation principles.

#### Legislative Retaliation, Kesavananda Bharti Case and 44th Amendment -

- The 25th Amendment, 1971: Substitution of Compensation with Amount
  - In response to the judiciary's stance, the legislature enacted the Constitution (Twenty-Fifth) Amendment Act in 1971, substituting the word compensation with amount in Article 31(2).
  - This **change aimed to sidestep judicial scrutiny entirely** by dissociating the concept of fair market value from the compensation provided.
  - The adequacy of this amount was thus insulated from judicial review.
- Kesavananda Bharti Case, 1973
  - The landmark case of **Kesavananda Bharati** in 1973 **upheld the validity of this amendment.**
  - Yet, the Supreme Court nuanced its decision by stating that while the adequacy of the amount was non-justiciable, the relevance of the principles used to determine this amount remained subject to judicial review.

- This interpretation effectively reinstated a degree of judicial oversight, reflecting a persistent tension between legislative intent and judicial interpretation.
- Justice K.K. Mathew, dissenting in Kesavananda Bharati, noted the intrinsic link between property ownership and the quality of civilisation and culture.
- He argued against the exclusion of the right to property from the basic features of the **Constitution**, even under the basic structure doctrine.
- The 44th Amendment and the Redefinition of Property Rights
  - The political landscape shifted dramatically with the defeat of the Congress in the 1977 general election and the rise of the Janata Party.
  - The new government passed the Constitution (44th) Amendment Act in 1978, which deleted the right to property from Part III of the Constitution and redefined it as a constitutional right under Article 300-A.
  - This **amendment also removed Article 31**, which had been at the centre of the compensation controversy.

#### Scholarly Perspectives on the Right to Property -

- Professor P.K. Tripathi, in his influential 1980 article, criticised the deletion of Article 31 as a mistake.
- He contended that the power to acquire property inherently included the obligation to provide fair compensation, aligning with the original interpretation in the Bela Banerjee
- Article 300-A stipulates that "no person shall be deprived of his property save by authority of law."
- According to Tripathi, this implies that any law enabling property acquisition must serve a public purpose and include provisions for compensation, consistent with the principles established in Bela Banerjee.

#### The Evolving Stance of the SC on Property Rights -

- The M.C Mehta Case
  - In the years that have followed the deletion of Articles 19(1)(f) and 31, the Supreme Court has held that the right to property is not only a constitutional right but also a human right.
  - In the case of M.C. Mehta, the Supreme Court held that to be a valid law, it must be just, fair, and reasonable.
  - In other words, though the right to property was not a fundamental right, a law which deprived a person of his property must answer to the requirements of Articles 14,19 and 21.
  - In K. Ravichandra, the Court went a step further and observed that the phrasing of Article 300A had a striking resemblance to Articles 21 and 265 and hence its guarantee could not be read down.
- Recent Judgement in Kolkata Municipal Corporation Case
  - The recent decision of the Supreme Court in Kolkata Municipal Corporation has fleshed out seven different facets which are protected under Article 300-A.
  - These facets include: The right to notice; the right to be heard; the right to a reasoned decision; the duty to acquire only for public purpose; the right of restitution or fair compensation; the right to an efficient and expeditious process; the right of conclusion.
  - The Court has concluded that the absence of even one of these features would render the law susceptible to challenge.
  - The right to restitution or fair compensation judicially affirms the position prevailing when the unamended Article 31 was in force, and the interpretation expounded in the Bela Banerjee case on the aspect of payment of compensation.
  - A person deprived of land by the state in the exercise of its power of eminent domain is entitled to be paid compensation which is just and reasonable.
  - Thus, the requirement of paying compensation. i.e., money's worth of the property acquired, which was the original position in the Bela Banerjee case has now been reinstated.

#### Conclusion -

- The Court, in Kolkata Municipal Corporation, has reiterated that deprivation or extinguishment of that right is permissible only upon restitution, be it in the form of monetary compensation, rehabilitation or similar means.
- With this judgement, the wheel has come full circle and it vindicates the prophetic words of Prof. P.K. Tripathi.
- Enacting the Forty-Fourth Amendment and deleting Articles 19(1)(f) and 31, Parliament has unwittingly given the property of a citizen the kind of protection it has never enjoyed before either in British or in independent India.

**Source - The Hindu** 

<u>QUESTION</u> - Discuss the evolution of property rights in post-colonial India, highlighting the key conflicts between the judiciary and the legislature.

## How proxy advisors improve shareholders' decision in India?

In the complex world of corporate governance, proxy advisors (PAs) play a crucial yet often contentious role.

Their influence comes under scrutiny particularly when their recommendations lead to significant shareholder actions, such as the rejection of resolutions or the approval of controversial proposals.

The dynamics between proxy advisors, corporations, and investors reveal much about the balancing act required to maintain fair and effective governance.

#### Function and Perception Challenges of Proxy Advisors -

- Critical Function of Proxy Advisors
  - The core function of proxy advisors is to scrutinise and evaluate company proposals, governance practices, and overall corporate conduct.
  - They **examine a wide range of issues**, including executive compensation, board appointments, mergers, and acquisitions, and environmental, social, and governance (ESG) policies.
  - By conducting thorough analyses, proxy advisors offer voting recommendations that aim to align corporate actions with the best interests of shareholders.
- Perception Challenges and Criticism
  - Despite their valuable contributions, proxy advisors often face criticism for their critical nature.
  - Companies and their management teams may perceive PAs as adversarial because their recommendations frequently highlight deficiencies or risks.
  - This perception is akin to a doctor diagnosing an ailment necessary but not always welcome.
  - One significant point of contention is the interpretation of laws and governance standards.
  - Proxy advisors sometimes develop their own benchmarks and criteria, which can differ from the interpretations held by companies.
  - This divergence can lead to friction, as companies may feel that PAs are setting unrealistic or overly stringent standards.

#### How Proxy Advisors Improve Shareholders Decision in India: Support System for Investors -

- Institutional investors, such as pension funds, mutual funds, and insurance companies, often rely on the expertise of proxy advisors to navigate the complexities of corporate governance.
- While investors have their own research capabilities, proxy advisors offer additional insights and perspectives that complement their analyses.
- This **symbiotic relationship enhances the decision-making process**, ensuring that investors can cast their votes with a comprehensive understanding of the issues at hand.

- In India, the reliance on proxy advisors is evident, yet it is also clear that institutional investors do not follow these recommendations blindly.
- Of the 1,841 resolutions on which SES recommended an against vote in 2023-24, only 55 were rejected, indicating that investors use these recommendations as one of many tools in their decision-making arsenal.

#### High-Profile Cases and the Perception of Power Surrounding Proxy Advisors -

- Proxy advisors attract attention in cases where their recommendations lead to notable outcomes.
- For instance, the rejection of Nestle's royalty payout and the diverging views on the demerger of ITC Hotels highlight their potential influence.
- Yet, instances like ICICI Securities delisting and Tata Motors DVR proposal, where PAs were united and investors approved the proposals despite some protests, showcase that proxy advisors do not always hold sway.
- Here, institutional investors often conduct their own analyses, using proxy advisors as a supportive tool rather than a decisive authority.

#### An Analysis of Expertise and Limitations of Proxy Advisors -

- Expertise and Scope
  - Proxy advisors possess a broad understanding of governance principles and regulatory requirements, which allows them to evaluate corporate proposals across diverse industries.
  - However, **their expertise is inherently generalised** due to the wide range of companies they cover.
  - Proxy advisors , like Stakeholders Empowerment Services (SES), provide recommendations based on general governance principles applicable across various sectors.
  - This general expertise helps ensure a standard approach to governance but may miss the intricacies of specific industries.
- Valuation Limitations
  - Valuation is one area where proxy advisors face significant limitations.
  - While they can raise concerns about potentially unfair valuations, they lack the in-depth expertise of specialised financial analysts.
  - Valuation is often described as an "art" rather than a precise science, and proxy advisors typically rely on independent valuations to mitigate biases.
  - This reliance on external valuations underscores their limited capacity to conduct detailed financial assessments
- Information and Access Constraints
  - Proxy advisors base their recommendations on publicly available information and disclosures provided by companies.
  - This reliance means they might not have access to the full context or strategic considerations that inform board decisions, potentially leading to recommendations that do not fully align with the company's long-term objectives.
  - The effectiveness of proxy advisors' recommendations often hinges on the quality of communication from companies.
  - Inadequate disclosures or lack of detailed rationales can result in negative recommendations, not necessarily because the proposals are flawed, but due to insufficient information.

#### Case Studies on Practical Limitations and Expertise of Proxy Advisors -

- ICICI Securities Delisting
  - In this case, **proxy advisors supported the delisting proposal**, which was also backed by most institutional investors.
  - However, **some investors raised concerns about the valuation basis** and the use of the National Company Law Tribunal (NCLT) scheme.
  - This scenario illustrates the complexity of valuation issues and the need for transparent decision-making processes to address diverse investor expectations.
- Tata Motors DVR Proposal —

- Here, an individual investor opposed the proposal, arguing for an exchange ratio that ignored the market price difference.
- Proxy advisors and most institutional investors supported the proposal, highlighting the challenge of balancing individual investor concerns with broader market realities.
- This case underscores the importance of clear, fact-based communication to counteract misconceptions and unfounded expectations.

#### Future Directions to Enhance Effectiveness of Proxy Advisors -

- <u>Enhanced Collaboration</u> Nurturing **better communication and collaboration with companies can help proxy advisors gain deeper insights** into strategic rationales, improving the quality and relevance of their recommendations.
- <u>Specialised Expertise</u> Developing industry-specific expertise within proxy advisory firms can provide more nuanced and informed recommendations, particularly for complex sectors where generalist knowledge may fall short.
- Transparency and Accountability
  - Proxy advisors **should continue to enhance their transparency**, disclosing their methodologies and criteria clearly.
  - This **transparency can build trust with both investors and companies**, reinforcing the credibility of their recommendations.
- <u>Stakeholder Engagement</u> Engaging with a broader range of stakeholders, including minority shareholders and industry experts, can help proxy advisors incorporate diverse perspectives and improve the comprehensiveness of their analyses.

#### **Conclusion -**

- Proxy advisors serve as a critical component in the corporate governance ecosystem, providing essential oversight and recommendations to investors.
- While their influence and methodologies may sometimes be contentious, their role in promoting higher standards of governance and transparency is indispensable.
- The ongoing evolution of this industry will hinge on its ability to maintain independence and effectively balance the interests of all parties involved.

#### **Source - The Indian Express**

<u>QUESTION</u> - Proxy advisors (PAs) play a crucial yet often contentious role in corporate governance. Critically analyse the functions, perception challenges, and impact of proxy advisors in the context of corporate governance in India. Discuss the limitations of their expertise and the measures that can be taken to enhance their effectiveness. Provide examples to support your answer.

## **Delicate balancing of health-care costs**

The Indian healthcare system faces a tough challenge: ensuring affordable healthcare while maintaining quality and fostering innovation. With growing healthcare disparities and uneven access to medical services, creating fair and sustainable healthcare policies is more important than ever.

#### The Issue: Balancing Affordability with Quality Care -

- Setting Medical Service Rates Matters Deciding how much medical services cost significantly impacts how easily people can access and receive healthcare across India. These rates affect everything from doctor consultations to complex surgeries.
- Learning from International Examples By looking at how other countries have addressed similar challenges, India can refine its strategies for managing healthcare costs more effectively.

#### Private Hospitals: Innovation Hubs but Raise Affordability Concerns -

• Innovation Powerhouses — Private hospitals are not only renters for specialised care but also hubs for developing new medical technologies and treatments. These advancements can significantly improve patient outcomes, especially in complex procedures.

• The Affordability Challenge — While private hospitals offer cutting-edge care, their services can be expensive. Price caps set too low could limit their ability to invest in new technologies and infrastructure, ultimately affecting the quality of care they provide.

#### Finding a Solution -

- **Price Caps Can Backfire** Simply capping medical procedure prices could have unintended consequences. Hospitals under financial pressure might prioritise cheaper treatments over quality care, leading to patient dissatisfaction. Additionally, research and development of new treatments, often expensive endeavours, could slow down.
- Value-based Pricing This approach focuses on paying for the health outcomes achieved rather than the number of procedures performed. Hospitals would be rewarded for successful treatments, potentially leading to better quality care.
- Dynamic Pricing Models These models adjust prices based on factors like the complexity of the medical case and the patient's financial situation. This allows for fairer pricing while still considering the cost of providing care.
- Learning from Thailand Thailand's tiered pricing system is an example of balancing affordability and quality. It considers a patient's income level and the medical necessity of the procedure, ensuring essential care remains accessible.

#### **Source - The Hindu**

<u>QUESTION</u> - The Indian healthcare system faces a critical challenge in balancing affordability, access, and quality of care. Discuss the key issues in setting medical service rates, considering both private and public healthcare providers. How can India learn from international examples to design a sustainable healthcare model that promotes innovation while ensuring equitable access for all citizens?

## **Tobacco Epidemic in India**

Tobacco is a major cause of preventable disease and death worldwide. It harms both users and those who grow it. With around 26 crore users, India has the second highest number of tobacco users after China.

#### Details -

- Impact on health and environment
  - The health of over 60 lakh workers in the tobacco industry is also at risk due to skin absorption of tobacco.
  - Tobacco farming harms the environment by depleting soil nutrients and causing deforestation.
  - Processing tobacco requires a lot of wood, and its production generates a significant amount of waste.
    - Up to 5.4 kg of wood is required to process 1 kg of tobacco.
- Financial burden
  - In 2017-2018, the health impacts of tobacco cost India over ₹1.7 lakh crore, far exceeding the ₹48,000 crore health budget for that year.
  - Additionally, cleaning up tobacco waste costs around ₹6,367 crore annually, not including the costs of soil erosion and deforestation.

# <u>Awareness, Legislative Provisions and Initiatives Taken by the Government with respect to Tobacco</u> -

- Framework Convention on Tobacco Control (FCTC)
  - Launched in 2005, the FCTC aims to reduce tobacco usage worldwide by helping countries develop demand and supply reduction strategies.
  - India is one of the 168 signatories of the WHO's FCTC programme.
- COTPA Act, 2003
  - COTPA stands for Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply, and Distribution).

- It has 33 sections governing the production, advertisement, distribution, and consumption of tobacco.
- National Tobacco Control Programme (NTCP)
  - India also launched the National Tobacco Control Program (NTCP) in 2007.
  - NTCP is designed to improve the implementation of COTPA and FCTC, improve awareness about the harms of tobacco use, and help people quit it.
- Apart from these interventions, **tobacco taxation** a globally accepted method to effectively control tobacco use is also applied in India.

#### <u>Challenges associated with respect to Curbing Tobacco Consumption</u> -

- Poor Implementation of Existing Measures
  - Smokeless tobacco products often don't follow the packaging rules set by COTPA, and smuggled tobacco products are poorly regulated.
  - Fines for breaking these rules are outdated, with companies only facing a maximum fine of ₹5,000 for their first violation.
  - COTPA bans direct tobacco ads but is unclear about indirect ads, leading to surrogate advertisements.
    - These ads use products like elaichi to promote tobacco brands indirectly.
    - For example, during the ICC Men's Cricket World Cup 2023, there were surrogate ads for two tobacco brands, endorsed by famous cricketers. These ads indirectly encourage tobacco use.

#### NTPC's Lack of Effectiveness —

- A 2018 study reported no significant difference in the reduction of bidi or cigarette consumption between NTCP and non-NTCP districts.
- Possible reasons for this included insufficient staffing, resource allocation, and utilisation, and lack of effective monitoring mechanisms.

#### Tax Evasion —

- The Indian government's attempts to tax tobacco have been hindered by tax evasion, such as buying tobacco in areas with lower taxes and illegal activities like smuggling, illicit manufacturing, and counterfeiting.
- Tobacco taxes in India are low and haven't kept up with rising incomes, making tobacco products more affordable over the years.
- A 2021 study found that cigarettes, bidis, and smokeless tobacco products had become more affordable in the past decade, and the **shift to the Goods and Services Tax system made these products even cheaper**.
- Tax burden of 51% for cigarettes, 22% for bidis, and 64% for SLTs, much lower than the FCTC's recommendation of at least 75% tax.

#### Way forward -

- India has strong laws (COTPA, PECA, NTCP) to control tobacco use and production, but they need stricter enforcement.
- Additionally, tobacco taxes should be increased to match recommendations, inflation, and economic growth.
- The government can also help tobacco farmers switch to other crops, preventing job losses.
- Studies show that crops like jowar can be more profitable than tobacco.
- Up-to-date data on tobacco use is essential to counter industry tactics and effectively control tobacco. Without this data, efforts to manage tobacco use will fall short.

#### **Source - The Hindu**

<u>QUESTION</u> - Critically evaluate India's measures to curb tobacco consumption, considering health, environmental, and economic aspects. Assess the effectiveness of existing policies like COTPA and NTCP, challenges in their implementation, and propose viable strategies for enforcement and alternatives to tobacco farming.

## **GENERAL STUDIES - III**

# **Economy**

## Trickle down high growth to lower categories

While headline growth appears impressive at 8.2%, a closer look reveals some nuances and areas for concern.

#### Impressive Headline Growth -

- India's GDP grew by 8.2% in 2023-24, exceeding expectations and marking the fastest growth among major economies. This is a significant achievement, showcasing the strength of the Indian economy.
- This growth is significantly higher than the 7.6% estimated earlier. This upward revision suggests that the economy might be performing even better than initially anticipated.

#### **Nuances and Concerns -**

- Upward revisions in previous quarters inflated the overall growth figure. This means that growth in earlier quarters might have been lower than initially reported, and the overall 8.2% figure is partially due to adjustments in past data.
- The sharp divergence between GDP and GVA growth suggests a contribution from net taxes, not necessarily value addition. GVA (Gross Value Added) measures the true value addition within the economy. A larger gap between GDP and GVA growth indicates that factors like higher taxes and lower subsidies, rather than increased production of goods and services, might be inflating the GDP numbers.
- Sectoral Breakdown
  - Agriculture Muted growth due to poor monsoon. This highlights the dependence of the
    agricultural sector on weather conditions and the need for irrigation and drought-resistant
    crops.
  - Manufacturing Healthy recovery with 9.9% growth, supported by lower input prices. This indicates a positive turnaround in manufacturing, potentially driven by factors like reduced costs of raw materials.
  - Services Steady growth at 7.6%, with moderation in trade, hotels, etc. The growth in services is consistent, but there are signs of slowing down in some segments like tourism and hospitality that were significantly impacted by the pandemic.
  - Construction Robust growth of 9.9%. This strong growth in construction suggests increased investment in infrastructure and real estate.
- Expenditure Breakdown
  - Private Consumption Disappointingly low at 3.8%, the weakest in two decades (excluding pandemic). This is a major concern. Low consumption indicates that people are spending less, which can hinder economic growth. Factors like high inflation and stagnant wages might be contributing to this.
  - Investment Healthy growth of 9%, driven by government spending. While overall investment is positive, it is primarily driven by the government, and private sector investment remains sluggish.
  - Exports Muted due to weak global demand. India's export growth is suffering due to a slowdown in the global economy.

#### Way Forward: Challenges and Opportunities -

- Expected GDP growth to moderate to around 7% in 2024.
- Reviving private consumption is crucial for sustained growth
  - Improved rural demand: Reliant on normal monsoon and moderation in food inflation.

    A good monsoon and lower food prices are essential to boost purchasing power in rural areas.

- Increased job creation: Positive signs in EPFO data, but concerns remain in IT and unorganized sectors. More jobs, especially in sectors like IT and unorganized sectors, will lead to higher incomes and increased spending.
- Private capex revival
  - Favorable conditions Capacity utilisation near average, healthy bank and corporate balance sheets. Companies have the capacity and resources to invest, but they might be waiting for the right conditions.
  - Key requirements Policy certainty, confidence in global and domestic stability, sustained consumption revival. Clear and consistent government policies, a stable global and domestic economic environment, and a pick-up in consumer spending are crucial for encouraging private companies to invest.
- Global Risks
  - Potential improvement in global exports with a brighter global outlook. A stronger global economy could lead to increased demand for Indian exports.
  - Geopolitical tensions and rising commodity prices pose risks of supply shocks and higher input costs. International conflicts and rising prices of essential commodities can disrupt supply chains and increase production costs for Indian businesses.

#### Conclusion -

India's GDP growth is impressive, but challenges remain. The new government needs to prioritize broad-based consumption revival, continued capex focus, job creation, and ensuring benefits reach lower income groups. These measures are essential for sustained economic growth and a more inclusive future.

#### **Source - The Indian Express**

<u>QUESTION</u> - Analyse the recent trends in India's GDP growth with reference to the data for the financial year 2023-24. Discuss the key factors contributing to this growth, along with the underlying concerns. Suggest policy measures the new government should adopt to ensure its sustainability and inclusivity.

## **Environment**

## **Changing the script in India's Green transition**

**India stands at the cusp of a significant energy transition**, and the next government must ensure that its energy policies are forward-looking and robust.

Historically, decision-makers have been criticised for preparing for past challenges rather than future uncertainties.

As India navigates its energy transition, it is crucial to develop a strategic framework that aligns with contemporary realities and future demands.

#### The Dual-Pronged Energy Policy of India -

- Managing Fossil Fuel Dependency
  - Diversification of Import Sources
    - To reduce vulnerability to geopolitical tensions and supply disruptions, **India is working** to diversify its sources of petroleum imports.
    - This includes negotiating with a broader range of supplier countries and securing favourable long-term contracts.
  - Strategic Reserves
    - Establishing and maintaining strategic petroleum reserves is a key component of this prong.
    - These reserves act as a buffer against short-term supply shocks and price volatility, providing a critical safety net for the economy.
  - Domestic Exploration and Production —

- Boosting domestic exploration and production of fossil fuels is essential to reduce import dependency.
- This includes incentivising both public and private sector investment in oil and gas exploration, utilising advanced technologies to enhance extraction efficiency, and exploring unconventional resources like shale gas.
- Demand Conservation and Efficiency
  - Improving energy efficiency and promoting conservation measures are crucial to managing demand.
  - This includes implementing stringent efficiency standards for industries, vehicles, and appliances, and encouraging behavioural changes among consumers to reduce wastage.
- Accelerating Renewable Energy Transition
  - Net-Zero Carbon Emissions by 2070
    - India has set an ambitious target to achieve net-zero carbon emissions by 2070.
    - This long-term commitment requires substantial changes in energy production and consumption patterns, driven by policy support and technological innovation.
  - Reducing Carbon Intensity of GDP
    - In the shorter to medium term, the goal is to reduce the carbon intensity of the economy.
    - This means lowering the amount of carbon emissions per unit of GDP, which can be achieved by enhancing energy efficiency, switching to cleaner fuels, and adopting sustainable industrial practices.
  - 500 GW Non-Fossil Fuel Capacity by 2030
    - A key milestone in the renewable energy transition is the target to achieve 500 GW of electricity generation capacity from non-fossil fuel sources by 2030.
    - This includes solar, wind, hydro, and biomass energy.

#### **Challenges in Current Administrative Structure -**

- Fragmented Administrative Responsibilities
  - These dual objectives are managed by distinct, vertically structured ministries.
  - The Ministry of Petroleum and the Ministry of Coal handle the fossil fuel prong, while the Ministries of Renewables and Power lead the renewable energy prong.
  - Additionally, other ministries such as Heavy Industry, Mines and Minerals, IT, and Environment also play significant roles due to their jurisdiction over various components necessary for a green energy ecosystem.
- Lack of Integrated Decision-Making Ability
  - The lack of an integrated executive forum means that energy policies are often developed and implemented in isolation.
  - This can **result in policies that are not fully aligned** or are even conflicting, reducing their overall effectiveness.
  - Without coordination, different ministries may duplicate efforts, leading to inefficient use of resources.
  - For example, both the Ministry of Petroleum and MNRE might invest in separate technologies for energy storage, leading to redundant research and development expenses.
- Barriers to Achieving Decarbonisation Targets
  - Inter-ministerial approval processes can be lengthy and cumbersome, delaying the rollout of renewable energy projects and infrastructure development
  - Without a cohesive strategy, it is challenging to develop a unified vision for India's energy future.
  - Each ministry might prioritise its own objectives, which may not align with the broader national goals of sustainability and energy security.

#### Impact of Fragmented Structure -

- Supply Chain Vulnerabilities
  - The green energy transition is heavily reliant on international supply chains for materials like lithium, cobalt, and rare earth elements.

- A fragmented administrative approach makes it difficult to develop a coherent strategy to secure these supply chains, particularly given the geopolitical tensions involving major suppliers like China.
- National Security Risks
  - Energy security is closely tied to national security and fragmented oversight of energy resources and technologies can leave India vulnerable to external threats.
  - Coordinating a national response to potential supply disruptions or cyber-attacks on energy infrastructure requires a more integrated approach.

#### The International Context and Its Implications -

- The global geopolitical landscape further complicates India's energy transition.
- The renewed great power competition between the US and its allies versus China and Russia resembles a modern Cold War, with Taiwan being a critical flashpoint and technological superiority becoming the new arms race.
- This geopolitical tension impacts the green agenda along supply chain resilience, domestic investment, and national security axes.
- China's dominance in essential materials for green energy, along with its cost-effective production of solar and wind technology, poses both opportunities and risks for India.
- While domestic manufacturers have benefited, there are national security concerns about reliance on Chinese imports.
- To mitigate this, India has imposed duties on Chinese imports and introduced the Production-Linked Incentive (PLI) scheme to boost domestic manufacturing.
- However, a comprehensive strategic framework akin to the US's Chips and Science Act is still missing.

#### Recommendations for a Unified Energy Strategy -

- Coordination Among Hydrocarbon and Renewable Entities It should outline the relationship between hydrocarbon Public Sector Enterprises (PSEs) and other energy companies to avoid duplicity of efforts and resources.
- Resource Supply Strategy With the International Energy Agency (IEA) predicting volatility in the markets for critical materials like copper, lithium, nickel, and cobalt, India needs a clear strategy to secure future supplies through investments in mining.
- Addressing the China Factor
  - The competitiveness of clean energy relative to fossil fuels and access to low-cost green technology from China must be evaluated.
  - National security concerns warrant measures like anti-dumping duties on Chinese electric vehicles (EVs), but the impact on investors and the pace of the green transition should also be considered.
- Encouraging Green Investments
  - Given the current cautious approach of boardrooms towards green investments, the government must tackle this risk aversion.
  - **Specific sectors could be incentivised**, or public investment could be increased to attract private capital.
  - The **strategy document should provide detailed options** and a roadmap for this.

#### **Conclusion -**

- The challenge for the next government is to accelerate India's energy transition amidst a polarised international geopolitical environment and rapid technological advancements.
- By adopting a holistic, integrated approach to energy policy, **India can ensure sustainable** growth, energy security, and environmental preservation for future generations.

#### **Source - The Indian Express**

<u>QUESTION</u> - Analyse India's dual-pronged energy policy focused on managing fossil fuel dependency and accelerating renewable energy transition. Discuss the challenges posed by fragmented administrative responsibilities and the lack of integrated decision-making.

Evaluate the impact of international geopolitical tensions on India's energy transition and suggest measures for a unified and strategic energy framework.

# Security Dark Web

The Enforcement Directorate (ED) has arrested a resident of Uttarakhand for allegedly operating an international drug trafficking group. He has been booked under the Prevention of Money Laundering Act.

The accused operated a global dark web enterprise to send fentanyl and other deadly and dangerous drugs to communities across America - in all 50 States — as well as Canada, Europe, and the Caribbean.

#### Dark Web -

- Dark Net, also referred to as dark web or darknet, is a maze of secret websites which can be accessed only through encrypted channels.
  - In other words, it is the hidden collective of internet <u>sites only accessible by a specialised</u> web browser.
- It is used for keeping internet activity anonymous and private, which can be helpful in both legal and illegal applications.

#### **How it operates?**

- The dark web operates in secrecy using **The Onion Router (ToR)**.
  - Tor is free and open-source software for enabling anonymous communication.
  - It is an Internet based system to prevent eavesdropping and traffic analysis attacks.
- Experts say darknet is very tough to penetrate owing to its end-to-end encryption.
  - The access to darknet is possible only through specialised browsers like Tor, Freenet, I2P and Tails to surf the darknet anonymously.
- The privacy-centric browser like Tor routes the web page requests through proxy servers thus making your IP address untraceable.

#### The dark web vs. the deep web -

- Both the dark and deep web share one thing in common: Neither can be found in search engine results.
- The difference between them primarily <u>lies in how their content is accessed</u>.
  - Deep web pages can be accessed by anyone with a standard web browser who knows the URL.
  - Dark web pages, in contrast, require special software with the correct decryption key, as well as access rights and knowledge of where to find the content.

#### Use of Dark Net -

- Nowadays, darknet has become a hidden platform meant for the sale and purchase of much of the contraband items like
  - drugs, arms, pornographic content and other illegal activities.
- Due to its ability to provide an anonymous cover, the platform has become a safe haven for criminals dealing in every kind of illegal activity.
- The matter gets complicated with the evolution of cryptocurrencies like bitcoin.
- It is also used by people who require privacy for entirely legal reasons.
  - E.g., the exchange of proprietary business information or communication by political activists.
  - Darknet helps to protect the right to freedom of information and online privacy of individuals and is <u>therefore often used by journalists and other activists</u>.
- One ethical use for the dark web is for law enforcement and threat intelligence agencies.
- These types of professionals may search the dark web for signs of cybersecurity or data breaches, illegal activity, scams or other emerging threats.

#### Legality of accessing the dark web in India -

- Accessing the dark web is legal in India. The Indian government does not recognise it as an illegal activity.
- However, this doesn't mean one is free to do whatever he/she wants.
- Various activities like child pornography, buying guns, pistols, rifles, drugs, etc. are considered to be illegal.
- Hence, the dark web is not illegal. It is the activity or the intent of a person that is taken into account while using the dark web.

#### **Regulatory Challenges -**

- The biggest challenge with respect to regulation of the dark web is its encryption technique and anonymity.
- Apart from the strong encryption techniques, most financial transactions on the dark web are performed in cryptocurrencies which provide further anonymity.
- The trans-border nature of the dark web further complicates the matter.
- Ensuring **right to freedom of information and online privacy** while eliminating while eliminating the illegal activities thriving on dark web is a challenge.

#### Way forward -

- Implement such a system where freely available VPNs are banned
  - For this, the government should create an authority under the Information Technology Act, 2000.
  - The government may create a mandatory charge for VPN registration.
- Develop close cooperation between public and private organisations
  - It will help in dealing with the new and emerging technological challenges of the dark web, by providing solutions such as new encrypting tools, etc.
- Foster international cooperation in the form of multilateral exchanges
  - It will help in dealing with the challenges of the trans-border nature of the dark web.
- Adopt China Model
  - Many security experts argue that it is high time that India adopted the 'China model', wherein the great firewall of China, blocks Tor traffic.
  - On similar lines, The Incredible Firewall of India will affect a body-blow to flourishing darknet crime.

#### **Source - Multiple**

<u>QUESTION</u> - Discuss the challenges posed by the Dark Web in India and suggest measures to address them while ensuring the right to online privacy and freedom of information. Highlight the delicate balance required between regulation and individual liberties in the digital age.