

REGENT EDUCATION & RESEARCH FOUNDATION

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GENERAL STUDIES - I

Geography

Heat Stress: Threat to workers' safety, health and productivity

Climate change is creating a significant occupational hazard: heat stress. This threatens worker safety, health, and productivity, hindering the ILO's goal of fair jobs.

The Issue: Heat Stress and its Impact -

Heat stress causes health problems like heat stroke, cramps, cardiovascular issues, and kidney injury. It reduces cognitive and physical abilities, impacting work performance. Pregnant women in hot environments face an increased risk of complications. Productivity declines as extreme heat forces workers to slow down or stop working altogether.

ILO Study Findings: A Grim Forecast -

An ILO study predicts a grim future —

- By 2030, heat stress could **cause a 2.2% decline in global working hours and a \$2.4 trillion loss in global GDP.**
- Agricultural and construction workers are most affected, projected to **lose 80% of all working hours** due to heat stress in 2030.
- A staggering **2.41 billion workers globally face extreme heat exposure**, leading to millions of injuries and fatalities annually.
- **Asia and the Pacific regions** are expected to experience the **highest GDP losses due to declining worker productivity** from heat stress.

Uneven Impact: Heatstroke and Lost Livelihoods -

The impact of heat stress is uneven —

- Geographically, **southern Asia and western Africa** are **most susceptible**. These regions already struggle with climate change and poverty, and heat stress will worsen these challenges and widen existing inequalities.
- Heat stress can **widen the gender gap in the workforce**. Women make up a significant portion of the agricultural workforce, and heat stress can disproportionately affect their livelihoods.
- Heat stress can **hinder the achievement of various UN Sustainable Development Goals (SDGs)** related to decent work and health.

Impact in India: A Case Study -

India, experiencing rising temperatures, offers a case study:

- Millions of Indians face **deadly heat waves by 2030.**
- Heat stress is expected to claim **an estimated 34 million jobs in India by 2030.**
- Studies show **a direct link between temperature and productivity**. A study found a 2% decrease in productivity among female brickmakers with a 1°C temperature rise.
- India is projected to be one of the worst-affected countries, **losing the highest percentage of working hours (5.8%)** and experiencing **a significant decline in full-time employment** due to heat stress by 2030.

Way forward -

We need to adapt and mitigate the effects of heat stress on workers:

- A **multi-pronged approach** at global, national, and workplace levels is necessary.

- **Existing national guidelines** can be a starting point. India's "Heat Wave Action Plan" can help officials create plans to protect workers.
- **Educating workers** about heat stress, hydration strategies, and adjusting work schedules are crucial steps. Ensuring access to medical facilities during heatwaves is also essential.

Conclusion -

Collaboration among **governments, employers, and workers** is vital. Measures include —

- **Developing infrastructure** and early warning systems for extreme weather events.
- **Implementing international labour standards** for occupational safety and health.
- **Effective communication** for flexible work hours, rest breaks, hydration access, and heat stress training.
- **Investing in "green jobs"** that promote environmental protection and economic well-being.

Source - [The Hindu](#)

QUESTION - Heat stress is emerging as a significant threat to worker safety, health, and productivity in the context of climate change. Discuss the various challenges posed by heat stress and analyse its potential impact on India's economic development. Suggest measures at different levels to mitigate the adverse effects of heat stress on the workforce.

Social Issues

Living in denial about unemployment

The **discourse around employment in India has become a contentious issue**, with conflicting reports and statements from various sources contributing to public confusion.

Recently, the Prime Minister cited a Reserve Bank of India (RBI) report claiming the creation of 8 crore jobs over the past 3-4 years, **countering opposition claims of high unemployment**. However, **contrasting reports from financial institutions and data-gathering agencies paint a different picture**, highlighting the complexities and discrepancies in employment data.

Conflicting Reports and Statements -

- **PM's assertion was based on the RBI's 'India KLEMS Database,'** which details methodologies and measures of productivity, including labour employment.
- The **State Bank of India (SBI) also supported this narrative**, stating that 8.9 crore jobs were created in manufacturing and services between FY14 and FY23.
- **However, the Centre for Monitoring Indian Economy (CMIE) reported an unemployment rate of 9.2% in June 2024**, up from 7% the previous month.
- This **discrepancy between official and independent reports underscores the ongoing debate** over the true state of employment in India.

An Analysis of Ground Realities of Unemployment in India and Discrepancies in Data -

- **Massive Turnout for Job Examinations —**
 - **One of the stark indicators** of the unemployment crisis in India is the **overwhelming number of applicants for limited government job vacancies**.
 - In February, **approximately 47 lakh applicants appeared for an exam to fill around 60,000 constable positions** in Uttar Pradesh.
 - This **staggering ratio of applicants to available jobs underscores the desperation among job seekers** and the fierce competition for stable employment.
 - Similarly, **in 2022, the Railway Recruitment Board's Non-Technical Popular Categories (NTPC) exam attracted 1.25 crore applicants**.
 - The **large number of aspirants for a limited number of positions highlights the scarcity of job opportunities in the public sector**, traditionally seen as offering more job security and benefits compared to the private sector.
- **Protests and Discontent —**
 - Public protests have also been a significant manifestation of the unemployment crisis.

- The **announcement of the Agnipath scheme in 2022, which proposed short-term recruitment for the armed forces**, led to widespread unrest in states like Bihar and Uttar Pradesh.

- **Young people took to the streets**, expressing their frustration over the lack of permanent job opportunities and the perceived instability of the proposed scheme.
- **These protests not only reflect the discontent among job seekers but also the broader societal implications** of inadequate employment policies.
- Discrepancies in Employment Data —
 - The **conflicting reports** and data sources further **complicate the understanding of the true state of unemployment**.
 - The **official data often paints a rosier picture**, citing significant job creation and low unemployment rates.
 - However, **independent agencies like CMIE report higher unemployment rates**, suggesting a disconnect between official narratives and ground realities.
 - The **differences in data collection methodologies** and definitions of employment **contribute to these discrepancies**.
 - For instance, **the Periodic Labour Force Survey (PLFS) includes individuals who may not be earning an income but are engaged in some form of work, while the CMIE adopts a stricter definition**, counting only those earning an income from work as employed.
 - This **fundamental difference results in significantly divergent employment figures**.

The Plight of Educated Youth and Its Social and Economic Implications -

- The Plight of Educated Youth —
 - The situation for educated youth is particularly dire. **Despite holding degrees and qualifications, many young people struggle to find suitable employment**.
 - The **high turnout for exams and the subsequent protests indicates that even those with higher education are not immune** to the challenges of the job market.
 - **This is especially concerning given that the educated youth are expected to be the drivers of India's demographic dividend** – the economic growth potential that results from shifts in a population's age structure.
 - **The frustration among educated youth is compounded by the mismatch between their qualifications and the available job opportunities**.
 - This **situation not only wastes potential talent but also demoralises the youth**, who see little return on their educational investments.
- Economic and Social Implications —
 - The **high levels of unemployment and underemployment have significant economic and social implications**.
 - Economically, the inability to find gainful employment limits individuals' purchasing power, stifling consumer demand and hindering economic growth.
 - **It also leads to a loss of potential tax revenue for the government**.
 - Socially, the frustration and disillusionment among the youth can lead to increased crime rates, social unrest, and mental health issues.
 - **The protests following the Agnipath scheme announcement are a testament to the potential for unrest** when a significant portion of the population feels neglected and hopeless.

The India KLEMS Data, The Complexity of Indian Employment Data and Discrepancies Between PLFS and CMIE Data -

- The India KLEMS Data —
 - **The KLEMS data**, frequently cited in recent debates, **is designed to measure productivity growth in the Indian economy**.
 - It **relies on official sources like the Employment and Unemployment Surveys (EUS) and the Periodic Labour Force Survey (PLFS)**.
 - However, **KLEMS does not independently estimate employment**, raising questions about its reliability as an employment metric.
 - This **discrepancy points to potential misinformation** in the briefings provided to Prime Minister Modi.

- The Complexity of Indian Employment Data —

- The **variations in employment estimates arise from the complex structure of the Indian economy**, which includes a large unorganised sector employing 94% of the labour force.
- Reliable data for this sector is scarce, complicating efforts to accurately measure employment.
- **The absence of recent census data and outdated Urban Frame Survey (UFS) information further exacerbates this issue.**
- The period from 2016 to 2024, marked by significant economic shocks like demonetisation, GST implementation, and the COVID-19 pandemic, has further complicated data accuracy.
- **These events disproportionately affected the unorganised sector**, making pre-shock data unreliable for current estimates.
- **Discrepancies Between PLFS and CMIE Data —**
 - Differences in employment estimates also **stem from varying definitions of employment.**
 - **The PLFS, an official data source, counts individuals as employed even if they do not earn an income from their work**, including those engaged in free labour or non-income-generating activities.
 - In contrast, **CMIE adheres to the International Labour Organization (ILO) definition, counting only those who earn from their work as employed.**
 - This fundamental difference results in significantly lower labour force participation rates reported by CMIE compared to PLFS, **leading to a discrepancy of about 90 million individuals.**

Way forward -

- **Addressing Discrepancies and Improving Data Collection:** Addressing these discrepancies and improving data collection methodologies is **crucial for formulating effective employment policies** and mitigating growing frustration among job seekers.
- **Need for Action on Employment Issues:** Admitting and acting on these issues, **rather than denying them, is essential** for addressing the employment crisis in India.

Conclusion -

- **The debate over employment in India highlights the challenges of obtaining accurate and reliable data** in a complex and rapidly changing economic environment.
- **Conflicting reports from various sources reflect differing methodologies and definitions**, contributing to public confusion.
- **While official narratives may present an optimistic view of job creation, ground realities suggest that unemployment remains a pressing issue**, particularly for the youth.

Source - [The Hindu](#)

QUESTION - Critically examine the complexities and discrepancies in employment data as highlighted by various reports, and discuss the socio-economic implications of high unemployment rates among the educated youth. Suggest measures to address these discrepancies and improve the reliability of employment data in India.

Focus on Female Employment to counter Unemployment

The difficulty in getting jobs and inflation were the two major issues that played a role in the results of the **Lok Sabha Elections 2024**.

The India Employment Report (IER) 2024 also showed a rise in the unemployment rate from a little more than 2% in 2000 and 2012 to 5.8% in 2019 and unemployment reduced somewhat to 4.1% in 2022,

However, **time-related underemployment was high at 7.5%** and considering these data points, it is **important to explore how a better female labour force participation rate (LFPR) can improve overall family income and welfare**, especially in rural India.

An Overview of Unemployment Trends and Labor Force Participation -

- The **LFPR fell sharply from 61.6% in 2000 to 49.8% in 2018** but **partially recovered to 55.2% by 2022**, however, this recovery masks significant gender disparities.
- **Female labour force participation in rural India exhibited a substantial increase from 24.6% in 2018 to 36.6% in 2022**, with urban areas seeing a modest rise of around 3.5% from 20.4% in 2018.
- **In contrast, male LFPR showed only marginal improvement** in rural areas and stagnated in urban settings.
- **Despite this positive trend, female LFPR in India remains low** compared to the global average of 53.4% in 2019 and has declined from 38.9% in 2000 to 23.3% in 2018.

An Analysis of Gendered Employment Choices and Challenges and Emerging Trends -

- Unpaid Family Labor and Gender Imbalance —
 - **One of the most striking aspects** of the employment landscape is the **high proportion of women engaged in unpaid family labour**.
 - **In 2022, 36.5% of women worked as unpaid family labourers**, compared to just 9.3% of men.
 - This **disparity is even more pronounced in rural areas**, where the difference stands at 31.4%, compared to only 8.1% in urban areas.
 - The **predominance of women in unpaid labour reflects both a lack of formal employment opportunities and entrenched gender norms** that position women primarily within the domestic sphere.
 - **Unpaid family labour, although crucial to household functioning, does not contribute to formal economic metrics** or provide financial independence.
 - **This situation limits women's economic mobility** and perpetuates a cycle of dependency and undervaluation of their work.
- The Preference for Traditional Occupations —
 - The **preference for traditional, home-based occupations** among women, as observed in studies conducted in Gujarat, **underscores the complex interplay between gender norms and employment choices**.
 - **Women often opt for traditional activities such as bandhani, embroidery, and fall beading due to their flexibility** and compatibility with household responsibilities.
 - **These roles, however, typically offer lower income** compared to other employment options.
- The Lack of Alternative Opportunities —
 - The **lack of alternative opportunities forces many women to remain in these traditional roles**.
 - The **constraints faced by women in urban areas**, such as limited access to capital and restrictive social norms, **further aggravate this issue**.
 - **In urban settings, women encounter challenges in entering and succeeding in various professional fields** due to a combination of inadequate job opportunities and societal barriers.

Emerging Trends in Female Labour Force Participation -

- **Recent trends reveal a positive shift in female labour force participation**, particularly in rural areas. **From 2018 to 2022, female LFPR in rural India increased from 24.6% to 36.6%**.
- This rise suggests that there is a growing recognition of women's potential as active contributors to the economy.
- However, **despite this progress, the overall female LFPR remains low compared to the global average** and has historically declined from 38.9% in 2000 to 23.3% in 2018.
- **The rise in rural LFPR could be attributed to several factors, including targeted employment schemes, improvements in local economic conditions, and increased awareness of women's rights and opportunities**.
- **This trend presents a critical opportunity for further development**, as rural areas often have untapped potential for expanding employment opportunities.

Case Studies and Field Observations Surrounding Female Labour Force Participation -

- Upper Gangetic Plains of Uttarakhand and UP —

- . A study in the Upper Gangetic Plains of Uttarakhand and Uttar Pradesh explored the **relationship between irrigation sources and women's empowerment**.
- . The **research highlighted that the type of irrigation infrastructure significantly influenced women's employment opportunities** and decision-making abilities.
- . The **study revealed that women's wages and their role in decision-making improved with the expansion of less dominant irrigation sources**, such as canal irrigation.
- . When **canal irrigation expanded, especially during the Ziad (summer slump season), women's involvement in agricultural work increased** because males showed less interest during this period.
- . The **availability of alternative irrigation sources allowed women to engage more effectively in farm labour**, which, in turn, enhanced their decision-making capabilities and economic standing.
- . This **shift demonstrated how infrastructure development can facilitate gender equity** in economic roles.
- West Bengal's Minor Irrigation Projects and Kolkata Slums Study —
 - . **Field observations in West Bengal**, supported by the West Bengal Accelerated Development of Minor Irrigation Project, **highlight the transformative impact of water resource development on women's employment** and family welfare.
 - . **With the introduction of water through ponds and tube wells in arid and mono cropped regions**, women in West Bengal initiated various economic activities, including farming, pisciculture, nursery cultivation, and vermicomposting.
 - . **These activities significantly improved their economic status** and reduced migration, which had been previously necessary for accessing work.
 - . **A study conducted in the slums of Kolkata provides insight into how women's participation in the workforce can enhance economic resilience** and reduce vulnerability.
 - . **Women's involvement in various income-generating activities proved critical** during the COVID-19 pandemic.
 - . Their **participation helped to reduce economic vulnerability and improve resilience** against the financial impacts of the pandemic.

Strategies for Female Employment Generation -

- Empowering Self-Help Groups —
 - . To capitalise on the increasing female LFPR, especially in rural areas, **it is essential to collectivise women under self-help groups (SHGs) and federations**.
 - . These groups can provide training in new skills and link women directly to markets for better economic returns.
 - . **The Kutch Mahila Vikas Sangathan (KMVS), a local non-profit organisation, exemplifies efforts to support women in traditional occupations** through such collectivisation.
- Encouraging Women to Enter Male-Dominated Workspace —
 - . **Traditional occupations align with societal gender norms and enable women to manage both** household duties and earnings.
 - . However, **these roles may not challenge regressive gender norms**. Empowering women through **employment outside their homes can enhance their agency and meet strategic gender needs**.
 - . Encouraging women to enter male-dominated workspaces can be achieved by generating new employment opportunities in underexplored areas.
- Creating Formal Employment Opportunities and Supporting Female Entrepreneurship —
 - . **Developing new job opportunities** that cater to women's skills and preferences is
 - . This **includes expanding vocational training programs** and supporting sectors with high potential for female employment.
 - . **Providing women with access to capital, training, and mentorship can help them** start and grow their own businesses.
 - . **Initiatives such as microfinance programs and business development support can empower women** to become entrepreneurs.

Conclusion -

- **The rising female LFPR in India, particularly in rural areas, presents a promising avenue for addressing unemployment and underemployment.**
- **Strategic efforts to create appropriate employment opportunities, improve working conditions, and empower women through collectivisation and market access are crucial.**
- **By focusing on these areas, India can enhance overall employment, family income, and women's position in society, driving forward both economic and social development.**

Source - [The Hindu](#)

QUESTION - Discuss the impact of female labour force participation (LFPR) on family income and welfare in rural India, considering the rising trends from 2018 to 2022. What factors contribute to gender disparities in employment, and what measures can enhance female employment opportunities?

GENERAL STUDIES - II

Governance

A Five-Year Roadmap for India

The **first budget of the NDA government's third term sets forth two primary expectations for the economy** - a clear roadmap on fiscal consolidation and a strategy for medium-term interventions to address the challenges facing the economy.

The **budget presented by the finance minister addressed both these expectations effectively.**

Also, **with an eye on generating employment, improving infrastructure and rationalisation of GST, budget 2024 offers some elements of a medium-term framework for economic policy.**

Commitment to Fiscal Consolidation -

- Reduction in Fiscal Deficit —
 - **Fiscal deficit represents the gap between the government's total expenditure and its total revenue** (excluding borrowings).
 - For the fiscal year 2024-25, **the budget sets the fiscal deficit target at 4.9 percent of GDP, a reduction from previous estimates.**
 - This **target is significant as it indicates a disciplined approach** to managing public finances. Furthermore, **the budget aims to achieve a fiscal deficit of 4.5 percent of GDP in the following fiscal year**, moving closer to the long-term goal of a sustainable fiscal balance.
 - This **gradual reduction reflects a strategic balance** between fiscal prudence and the need to support economic growth.
- Debt-to-GDP Ratio —
 - The **budget projects a decrease in the central government's debt-to-GDP ratio** from 58.2 percent to 56.8 percent.
 - This **reduction indicates a proactive effort to manage the country's debt levels**, ensuring that debt does not grow faster than the economy.
 - **Lowering the debt-to-GDP ratio is essential for maintaining investor confidence** and ensuring the sustainability of public finances.
- Flexibility in Fiscal Policy —

- The **incorporation of flexibility in fiscal policy allows the government to respond quickly to economic fluctuations** and unforeseen challenges.
- The **budget does not provide a detailed roadmap beyond 2025-26**, instead proposing to keep the fiscal deficit each year such that the central government debt will be on a declining path as a percentage of GDP.

- . This **flexibility can be advantageous in dealing with economic uncertainties**, though it may limit predictability for businesses and investors.
- Utilisation of Surplus and Efficient Resource Allocation —
 - . **In recent years, the government has utilised surplus revenues**, particularly from the Reserve Bank of India, to support fiscal consolidation.
 - . **This year's budget continues this trend**, with surplus receipts contributing to the reduction of the fiscal deficit.
 - . **By directing additional resources toward debt reduction**, the government **demonstrates fiscal prudence and a long-term vision for economic stability**.

Some Other Positive Takeaways from the Budget Speech -

- Balancing Fiscal Prudence and Expenditure Needs —
 - . **Fiscal consolidation often necessitates a careful balance** between reducing deficits and ensuring adequate public expenditure.
 - . The **budget achieves this balance** by not only focusing on deficit reduction but also addressing critical expenditure needs.
 - . **Over the past three years, buoyant tax revenues have provided additional fiscal space**, allowing for increased allocations to various spending programs.
 - . **This year, some of the additional resources have been directed toward fiscal consolidation**, while others have been allocated to essential public services and infrastructure projects.
 - . **This balanced approach ensures that fiscal prudence does not come at the expense of necessary public investments**.
- Medium-Term Economic Interventions —
 - . Addressing the challenges highlighted in the Economic Survey 2023-24, **the budget outlines initiatives for the current year and the next five years**.
 - . **Key concerns include employability and employment** for the youth and improved infrastructure.
 - . **Initiatives to enhance employability through skilling and higher employment** through financial support for provident fund contributions are proposed.
 - . While these initiatives are welcome, **a comprehensive framework would help identify synergies among potential initiatives**.
 - . The **proposal to present an economic policy framework is a positive step**, as it can help establish consistent medium-term expectations on likely reforms.

Proposals Outlined in Budget Aimed at Rationalising Tax Structures -

- Indirect Tax Reforms: GST and Customs Duties —
 - . **GST Rationalisation** —
 - . **The Goods and Services Tax (GST) regime has been relatively stable** in terms of its structure and design.
 - . However, **the budget signals the need for further rationalisation of GST rates**. This includes streamlining the tax slabs to reduce complexity and improve compliance.
 - . **By making the GST structure more coherent, the government hopes to boost economic activity** and enhance revenue collection.
 - . **Expansion of GST Base** —
 - . The **budget proposes to expand the GST base** and this involves bringing more goods and services under the GST ambit, thereby increasing the tax net.
 - . **Expanding the base can help in raising additional revenue** without increasing the tax rates.
 - . **It also promotes fairness by ensuring that more sectors contribute to the tax system**.
 - . This approach is **crucial for achieving a more inclusive and balanced tax regime**.
 - . **Recalibration of Customs Duties** —
 - . The **government uses customs duties to achieve multiple objectives**, including protecting domestic industries and enhancing competitiveness.

- . **The budget proposes regular recalibration of customs duties** to address varying economic concerns.

- **For instance, duties may be reduced to lower the cost of essential imports** or increased to protect nascent domestic industries from international competition.
- Direct Tax Reforms: Simplification and Equity —
 - **Review of the Income Tax Act** —
 - The **budget proposes a comprehensive review of the Income Tax Act** to make it more concise, lucid, and user-friendly.
 - This **initiative aims to simplify the tax code**, making it easier for taxpayers to understand their obligations and comply with the law.
 - **Vivad se Vishwas Scheme 2024** —
 - To address the long-standing issue of tax disputes, **the budget introduces the Vivad se Vishwas, 2024 scheme**.
 - This **scheme aims to resolve pending litigation by offering taxpayers a one-time opportunity to settle disputes** by paying a reduced amount of the contested tax.
 - **Limiting Appeals and Enhancing Dispute Resolution** —
 - In addition to the Vivad se Vishwas scheme, **the budget proposes measures to limit the number of appeals** by tax departments in cases involving small liabilities.
 - This step is intended to reduce unnecessary litigation and focus on significant cases.
- Addressing Inequality: Taxing Capital Gains and High-Income Earners —
 - **Globally, there is an increasing concern about rising economic inequality** and the need for progressive taxation.
 - The **budget addresses this issue by proposing higher taxes on capital gains**, both short-term and long-term.
 - While this move may impact investors, **it is intended to ensure that those who benefit significantly from capital markets** contribute their fair share to the economy.
 - **To balance this, the budget raises the exemption limit for retail investors to Rs 1.25 lakh, providing** relief to small investors.
- Enhanced Securities Transaction Tax (STT) —
 - Additionally, **the budget proposes an enhanced STT** on futures and options transactions.
 - This **measure aims to curb speculative activities** in the capital markets and bring stability.
 - **By cooling some of the fervour in the markets, the government hopes to reduce volatility** and create a more stable investment environment.

Conclusion -

- **The commitment to fiscal consolidation** in the NDA 3.0 government's first budget is
- The **strategic reduction in the fiscal deficit, the projected decline in the debt-to-GDP ratio, the flexibility in fiscal policy**, and the efficient utilisation of surplus resources collectively **demonstrate a disciplined and forward-looking approach to fiscal management**.
- **Balancing fiscal prudence with essential public expenditure needs, the budget lays a robust foundation for sustainable economic growth** and financial stability, developing confidence among investors and citizens alike.

Source - [The Indian Express](#)

QUESTION - Discuss the primary expectations set forth in the first budget of the NDA government's third term, focusing on fiscal consolidation and medium-term economic interventions. How does the budget address these expectations, and what are the potential impacts on employment, infrastructure, and tax rationalisation? Critically analyse the proposed fiscal measures and their implications for long-term economic stability and growth.

For the last seven years, since its enactment, disabled individuals who rely upon prosthetic limbs, Brailers and wheelchairs must compulsorily pay an additional five per cent GST on these essential mobility aids.

The GST law was enacted in 2017 to simplify and consolidate India's tax regime but because of this law injustice being faced by millions of disabled Indians.

Therefore, it is important to delve into the consequences of the Goods and Services Tax (GST) regime in India and its discriminatory impact on disabled individuals.

Impact of GST on Disabled Individuals and Broader Implications -

- Financial Burden on Essential Mobility Aids —
 - . Disabled individuals often rely on various mobility aids, such as prosthetic limbs, wheelchairs, and Braille, to navigate their daily lives.
 - . **Under the current GST regime, these essential items are subject to a five percent tax.**
 - For individuals already facing numerous challenges, **this additional financial burden can be overwhelming.**
 - . For example, **if a wheelchair user purchasing a motorised wheelchair for Rs 1 lakh, the five percent GST on this purchase amounts to an additional Rs 5,000.**
 - If the wheelchair is expected to last for 500 kilometres, **the effective tax burden per kilometre of mobility is Rs 10.**
 - This **calculation starkly shows the inequity:** an able-bodied individual incurs no such tax for walking.
 - . **Similarly, blind individuals who use Braille publications must absorb the additional cost of the GST** imposed on these items, solely due to their disability.
- Discriminatory Nature of the Tax —
 - . It **effectively penalises individuals for their disability** by imposing a financial burden on the very tools they need to achieve a semblance of normalcy and independence.
 - . **Able-bodied individuals do not face similar taxes** for engaging in everyday activities such as walking or reading.
 - . **Thus, the GST regime creates a clear disparity** between disabled and non-disabled individuals, exacerbating the challenges faced by the former.
 - . This **discrimination is particularly egregious** considering the principles enshrined in the Indian Constitution.
- Psychological and Social Implications —
 - . Beyond the financial strain, **the GST on disability aids has profound psychological and social implications.**
 - . By imposing an additional cost on essential mobility and learning tools, **the tax sends a message of marginalisation and inferiority to disabled individuals.**
 - It **undermines their sense of dignity** and self-worth, perpetuating negative stereotypes and social stigma associated with disability.
 - This **discriminatory tax policy contradicts the spirit of empowerment** and inclusion and **hampers the efforts of disabled individuals** to integrate fully into society, pursue education, and participate in economic activities.
 - The **message conveyed by such a tax is one of exclusion** rather than inclusion, reinforcing barriers rather than breaking them down.

An Analysis of the GST Based on the Constitutional Principles -

- Fundamental Right to Equality (Article 14) —
 - . **Article 14 of the Indian Constitution guarantees equality before the law** and equal protection of the laws within the territory of India.
 - **The GST on disability aids creates an unreasonable classification**, placing disabled individuals at a disadvantage solely because of their condition.
 - **This tax fails the test of reasonableness and equality** as it imposes an undue burden on a vulnerable section of society.
- Fundamental Right to Non-Discrimination (Article 15) —
 - . **Article 15 prohibits discrimination on various grounds**, including place of birth, which can be interpreted to include conditions of disability.
 - . The **tax on disability aids directly contravenes this provision** by discriminating against individuals based on their physical abilities.

- **The Rights of Persons with Disabilities Act, 2016, further reinforces this principle** by prohibiting discrimination against disabled individuals.

- Indirect Discrimination and Judicial Interpretation —
 - . **Chief Justice D Y Chandrachud, in a landmark judgment in 2021** (Lt. Col. Nitisha v. Union of India), emphasised the **need to recognize indirect discrimination**.
 - . This **principle is highly relevant to the GST on disability aids and even if the tax is not discriminatory on its face**, its impact disproportionately burdens disabled individuals, constituting indirect discrimination.

The Judiciary's Stance on Similar Issues -

- Sakal Papers Case (1961) —
 - . In a landmark judgment, **the Supreme Court of India struck down government-imposed restrictions on newspaper advertising**.
 - . The government had introduced a regulation that limited the number of advertisements a newspaper could carry, ostensibly to promote smaller newspapers.
 - . However, **the SC ruled that this regulation violated the fundamental right to freedom of speech and expression under Article 19(1)(a)** of the Constitution.
 - . The **Court noted that by restricting advertising revenue, the regulation indirectly impacted the circulation of newspapers** and thereby curtailed the dissemination of information, a core component of the freedom of speech and expression.
 - . This **judgment established the principle that any government action indirectly impacting fundamental rights** must be scrutinised and can be struck down if found unreasonable.
- Indian Express Case (1984) —
 - . In Indian Express Newspapers v. Union of India (1984), the SC addressed the issue of customs duty imposed on newsprint.
 - . **The government argued that the duty was a revenue measure**, but the Court saw it differently.
 - . **It recognised that imposing such a duty would increase the cost of newsprint**, thereby increasing the cost of newspapers.
 - . **This, in turn, would affect the public's access to information** and infringe upon the right to freedom of speech and expression.
 - . **The Court struck down the duty**, emphasising that any tax or financial burden that indirectly affects the circulation of newspapers and the dissemination of information is unconstitutional.
 - . The **ruling reinforced the idea that policies with indirect consequences on fundamental rights require stringent scrutiny and justification**.
- Aashirwad Films Case (2007) —
 - . It **involved a discriminatory tax levied on non-Telugu movies** screened in Andhra Pradesh.
 - . The **SC found this tax to be unconstitutional**, terming it "socially divisive" and a violation of the right to equality under Article 14 of the Constitution.
 - . The **Court held that the tax was discriminatory as it imposed an unfair burden on non-Telugu films** and, by extension, on the audience who wished to view them.
 - . The **judgment highlighted that any form of taxation or regulation that creates an unreasonable distinction** between different classes of people or entities **must be invalidated**.

Way forward -

- Even though the GST revenue from disability aids is minimal compared to the total, **the issue is one of dignity**.
- **Taxing disabled individuals for basic activities like movement and reading sends a message of inferiority** rather than empowerment.
- **In a 2021 landmark judgment on Article 15 (Lt. Col. Nitisha), the SC emphasised the need for recognising indirect discrimination**, further supporting the argument against this discriminatory tax.

Conclusion -

- **The current GST regime in India**, which imposes a five percent tax on essential disability aids, is a **manifest injustice that penalises disabled individuals for their condition**.
- This **policy not only violates constitutional principles of equality and non-discrimination but also perpetuates negative stereotypes** and undermines the dignity of disabled individuals.
- It is **imperative that this tax regime be reformed to ensure that disabled individuals are not unfairly burdened** and are treated with the dignity and respect they deserve.

Source - [The Indian Express](#)

QUESTION - The imposition of Goods and Services Tax (GST) on essential mobility aids for disabled individuals has sparked significant debate. Discuss the financial, psychological, and social implications of this tax policy on disabled individuals. Analyse the policy through the lens of constitutional principles of equality and non-discrimination as well as relevant judicial precedents.

An Outlining of Urban Transformation Strategies

Urbanisation in India has been a defining trend of the 21st century, with cities becoming the epicentres of economic and social development.

Home to approximately 500 million people, which accounts for about 36% of India's population,

urban areas are witnessing a steady population growth rate of 2% to 2.5% annually.

Recognising the growing pace of urbanisation and the crucial role of cities as growth hubs, **the new government's maiden Budget introduces a variety of initiatives aimed at creating planned development and growth in urban areas.**

Strategies Outlined in the Budget to Address the City Development -

- Proposal to Expand the PMAY Scheme in Urban Areas —
 - . Since its implementation in 2015, the Pradhan Mantri Awas Yojana (Urban) has made significant strides.
 - . Thus far, **this scheme has provided around 8.5 million housing units** for the Economically Weaker Sections (EWS) and Middle-Income Groups (MIG), with an investment of approximately ₹8 lakh crore.
 - . The **Budget proposes to boost this scheme by supporting the construction of an additional 10 million housing units in urban areas**, involving an investment of ₹10 lakh crore, including ₹2.2 lakh crore in central assistance over the next five years.
 - **For the current year, ₹30,171 crore has been allocated**, part of which will subsidise interest to facilitate affordable loans.
- Housing Plans for Migrant Workers in Cities —
 - . **For the migrant population** working in industries, **the Budget addresses the acute need for adequate housing through the introduction of new rental housing** with dormitory- type accommodations for industrial workers.
 - . This **initiative is planned to be developed in a public-private partnership (PPP) mode, with upfront financial support under the Viability Gap Funding (VGF) scheme**, covering 20% from the central government and potentially similar support from state governments.
- Development and Upgradation of Core Infrastructure Requirements —
 - . Urban infrastructure, encompassing water supply, sanitation, roads, and sewerage systems, is fundamental to city development.
 - . The **Atal Mission for Rejuvenation and Urban Transformation (AMRUT) has allocated ₹8,000 crore for these purposes.**
 - . Although this amount may appear modest, **the finance minister has announced the availability of the VGF window** for projects undertaken as commercial ventures in PPP mode.

- . **Given cities' familiarity with the PPP model, this provision could accelerate the development and upgrading of essential infrastructure.**
- . Additionally, **the Budget speech highlights a significant investment of ₹11.11 lakh crore for capital expenditure in infrastructure**, including highways and other sectors, from which cities can benefit.

- A provision of ₹1.50 lakh crore is also made available to states as an interest-free loan for infrastructure development, which states could use for urban projects.

Some Other Key Announcements Related to Smart Cities, Planned City Development -

• Smart Cities and Digital Transformation —

- Launched in 2015, the **Smart Cities Mission received ₹8,000 crore in budgetary support in 2023-24, which has been reduced to ₹2,400 crore for 2024-25** to meet residual commitments.
- However, a **new initiative, the National Urban Digital Mission (NUDM), has been introduced with a provision of ₹1,150 crore**, focusing on the digitisation of property and tax records and their management with GIS mapping.
- This **digital transformation will enable urban local bodies to manage their finances more effectively and assist property owners.**

• Planned City Development —

- The **Budget emphasises the importance of planned city development**, allocating ₹25,653 crore as the normal 'Finance Commission Grant' for municipalities.
- **Additionally, ₹500 crore has been set aside for the incubation of new cities.** The development of mass rapid transit systems allows cities to pursue transit-oriented development, where dense development around transit hubs can occur without overwhelming road traffic.
- **Enhanced focus on economic and transit planning**, alongside orderly development of peri-urban areas using town planning schemes, is proposed.
- The **Budget also allocates ₹1,300 crore to encourage electric bus systems in cities**, addressing the challenge of high upfront costs and promoting eco-friendly transportation.

• Solid Waste Management —

- Solid waste management (SWM) poses one of the biggest challenges for urban areas.
- The **Budget proposes introducing bankable projects for SWM in collaboration with state governments and financial institutions**, leveraging the VGF for this purpose.
- Cities like Indore, Madhya Pradesh, have demonstrated how SWM can become financially viable, providing a model for others to follow.

• Street Vending and Economic Opportunities —

- The **Street Vendors Act, 2014**, aimed at regulating street vendors and protecting their rights, envisages creating street-vending plans and zones.
- The **Budget proposes developing 100 weekly 'haats' or street food hubs in select cities.**
- This initiative aims to make street vending a healthy and safe option for both consumers and vendors.
- **States are encouraged to facilitate the preparation of street-vending plans** and the development of 'haats' according to local needs.

Purpose of Newly Launched National Urban Digital Mission (NUDM) -

• Digitisation of Property and Tax Records —

- The NUDM **aims to digitise property records and tax management systems**, ensuring transparency, accuracy, and efficiency.
- Digital records make it easier for property owners to access information and conduct transactions, while also aiding municipal bodies in maintaining up-to-date records and improving revenue collection.

• Geographic Information System (GIS) Mapping —

- **Integrating GIS mapping into urban planning and management allows for a more precise understanding of spatial data.**
- This **technology helps in monitoring land use**, planning infrastructure, and managing resources more effectively.
- **GIS mapping supports better decision-making processes** by providing detailed visual representations of urban areas.

• Financial Management —

- **Improved financial management through digital tools enables urban local bodies to streamline their budgeting,** expenditure tracking, and revenue generation.

- **By leveraging digital platforms**, municipalities can enhance their financial health, ensuring **that funds are utilised efficiently for urban development projects.**

Challenges and Future Prospects -

- **Funding and Resource Allocation** —
 - Adequate **funding and resource allocation are critical** to the success of these initiatives.
 - Ensuring **consistent financial support from both central and state governments is essential** for sustained progress.
- **Capacity Building** —
 - Building the **capacity of urban local bodies to implement and manage digital solutions is vital.**
 - This includes training municipal staff, enhancing technical expertise, and fostering a culture of innovation.
- **Interoperability and Integration** —
 - Ensuring that **various digital systems and platforms are interoperable and integrated seamlessly** is crucial for effective urban management.
 - This requires standardisation of technologies and collaborative efforts among different stakeholders.
- **Data Privacy and Security** —
 - As cities collect and process vast amounts of data, **safeguarding privacy and ensuring data security are paramount.**
 - **Robust cybersecurity measures must be implemented** to protect sensitive information and maintain public trust.

Conclusion -

- **The Budget presents a comprehensive approach to urban development**, combining financial provisions and procedural strategies to promote planned urbanisation.
- However, **the successful implementation of these initiatives depends on the vision and determination of cities**, represented by municipalities, and guided by state governments.
- **Crucially, the participation of citizens remains the cornerstone for the success** of any city's development strategy.

Source - [The Hindu](#)

QUESTION - Discuss the strategic importance of the National Urban Digital Mission (NUDM) and its objectives. How does digitisation through NUDM aim to enhance urban management and financial efficiency?

GENERAL STUDIES - III

Economy

Capital Gains Tax

The Union Budget brought significant changes to the way capital gains are taxed in India. The government aimed to simplify the tax structure and encourage long-term investments. However, these changes also had implications for different categories of investors and the overall market.

Simplification and Rationale -

The government introduced a more straightforward tax regime for capital gains —

- **Unified short-term tax** — Short-term capital gains on all financial assets are now taxed at a flat rate of 20%.
- **Standardised long-term tax** — Regardless of the asset type (financial or non-financial), long-term capital gains will be taxed at 12.5%.

- **Reasoning behind the changes** — The government believes that these changes will encourage investors to hold their investments for a longer duration, thereby promoting long-term growth in the economy.

Impact on Investors -

The new tax regime has different implications for various investor groups —

- **Stock market investors** — The increase in short-term capital gains tax from 15% to 20% initially caused market volatility. However, the market gradually recovered.
- **Real estate investors** — The removal of indexation benefits, coupled with the new 12.5% tax rate, might seem like a disadvantage. However, the government has introduced exemptions for those using the gains to buy or construct a house up to Rs 10 crore or invest in specified bonds up to Rs 50 lakh.
- **Small investors** — The increase in the exemption limit for capital gains tax from Rs 1 lakh to Rs 1.25 lakh provides relief to lower-income investors.

Concerns and Way Forward -

While the simplification is a step in the right direction, there are concerns and potential challenges

- **Market uncertainty** — The government's announced review of the Income Tax Act has created uncertainty among investors about potential future changes in the tax regime.
- **Need for stability** — To foster investor confidence, a stable tax environment is essential. A direct tax code could provide the necessary clarity and consistency.
- **Potential revenue generation** — The higher tax rates on capital gains could lead to increased tax revenue for the government.
- **Progressive taxation** — The changes primarily impact high-net-worth individuals who benefit most from capital markets, making the taxation more progressive.

Conclusion -

The changes to capital gains tax aim to simplify the tax structure and encourage long-term investment. While the intent is positive, the actual impact on different investor groups and the overall market will depend on various factors. To ensure a stable and investor-friendly tax regime, the government should consider implementing a direct tax code.

Source - [Business Standard](#)

QUESTION - The recent changes in capital gains tax in India aim to simplify the tax structure and promote long-term investments. Critically examine the rationale behind these changes and their potential impact on different sections of investors. Discuss the challenges and opportunities arising from these modifications and suggest measures to optimise the benefits of the new tax regime.

Environment

Climate Change Adaptation versus Mitigation Debate

The Economic Survey has pointed to flaws and inequities in the global climate action regime and suggested alternative pathways that incorporate lifestyle and behavioural changes. It also argued that adaptation should get at least as much importance as mitigation.

What is the difference between Climate Change Mitigation and Adaptation?

- As the climate crisis is increasingly distressing, climate actions fall into one of two

broad categories: climate change adaptation and climate change mitigation.

- These terms **go hand-in-hand** while navigating through the climate crisis, **but they mean very different things.**

- **Climate change mitigation** means avoiding and reducing emissions of heat-trapping greenhouse gases into the atmosphere to prevent the planet from warming to more extreme temperatures.
- **Climate change adaptation** means altering human behaviour, systems, and ways of life to protect societies, economies, and the environment from the impacts of climate change.
- The more are the emissions reduced right now, the easier it will be to adapt to the changes that can no longer be avoided.
- **Mitigation actions will take decades** to affect rising temperatures, so adapting now to the change will continue to affect us in the foreseeable future.

The Economic Survey 2023-24 on Climate Change -

- **Ineffective and inequitable international framework for fighting climate change —**
 - . It is evident from the fact that none of the targets set by the international framework for fighting climate change has ever been met.
 - . **Developing nations were under undue pressure** to attain the 1.5 or 2°C temperature target due to an excessive obsession with this target.
 - . **This has diverted their focus and resources away** from the more near-term imperatives of improving the lives of their people.
 - . Hence, a warmer world is more equitable and resilient than a world in which the 1.5°C threshold was achieved at all costs.
 - . However, it is unclear if the Economic Survey is hinting at a potential shift in India's energy transition trajectory.
- **Increasing resilience by giving adaptation as much importance as mitigation —**
 - . This is because the impacts of climate change are already unfolding, and it is becoming increasingly clear that the **1.5°C target will be breached very soon**.
 - . Since climate impacts cannot be stopped, the world must focus on rapid development and adaptation to increase resilience.
 - . Hence, **rapid improvement in incomes and overall well-being** of the people is the best insurance against climate change.
- **Mitigation by rich and adaptation by developing countries —**
 - . According to the counterargument, at these higher temperatures, the severity of climate impacts will intensify to the point that steps towards increasing resilience would be ineffective.
 - . Hence, it is proposed that the rich and developed countries do the mitigation work while developing countries focus on adaptation.
- **Hypocrisy of the developed world —**
 - . **For example**, despite having the greatest historical responsibility, the United States has lagged behind other nations in terms of carbon reduction.
 - . The developed countries as a bloc have not fulfilled any of their emission reduction targets, or their commitments to provide finance or technology to the developing countries.
 - . Calls for more aggressive climate action have been made in an attempt to shift the blame for these mistakes onto the rest of the world.
 - . **The international climate architecture is more about preserving the existing world order and less about saving the planet.**
 - . **For example**, the more equitable and effective Kyoto Protocol was eventually replaced by the Paris Agreement.
 - . Scientific organisations such as the Intergovernmental Panel on Climate Change (IPCC) have strengthened the narrative of the developed countries.

What are the Alternative Approaches Focussing on Climate Change Adaptation?

- **Building climate resilient infrastructure —** For example, the Central Vista will be a huge improvement over the current set of buildings in the Central Secretariat complex.
- **Climate proofing —**
 - . Climate-proofing is the practice of reducing GHG emissions released from the implementation of a certain investment, as well as increasing its resilience to climate change impacts.

- **For example**, the Smart City mission contains several elements of climate proofing.
- **Lifestyle and behavioural changes** — For example, India's **Mission Life** calls for conscious consumption for the well-being of the planet.

Source - [The Indian Express](#)

QUESTION - Discuss the rationale behind giving adaptation equal importance as mitigation in the context of the current global climate crisis.

Economic Survey on India's Climate Change Policy

The modern climate crisis can be best defined by one children's fairy tales, the narrative of **Snow White and the evil queen's obsession** with being the fairest of them all.

The **metaphorical mirror**, once a whimsical reflection of vanity, **now serves as a stark commentary on the developed world's pursuit of being the greenest.**

This quest, however, is often mired in contradictions and complexities, particularly as it pertains to the expectations placed on developing nations like India.

The Intensified Climate Debate and India's Position -

• Climate Debate —

- The **climate debate has intensified**, arguably heating up more than the climate itself, and developing countries find themselves at the forefront of this global discourse.
- **International strategies and commitments are in place**, with developed nations **making pledges** and urging **developing countries to reduce carbon emissions** to limit global temperature increases to 1.5 degrees Celsius above pre-industrial levels.
- This **scenario has created a dichotomy between climate idealists, who call for immediate and ambitious action, and climate realists**, who advocate for practical and achievable solutions.

• India's Position —

- India, as a developing nation, **stands at a precarious intersection.**
- Philosophically committed to sustainability, **India now faces the challenge of aligning its economic growth with its climate commitments.**
- **As the world's fifth-largest economy, and expected to rise to the third-largest by 2030, India's energy demands are projected to grow 1.5 times faster than the global average over the next 30 years.**
- This **growth necessitates a careful balance between development needs and environmental responsibilities**, resisting the often-simplistic characterisation of being a major polluter.

Climate Adaptation and Mitigation Plan and its Flaws -

- The strategies for achieving climate targets, primarily climate adaptation and climate mitigation, **focus on transitioning energy sources, adopting regenerative practices, and protecting natural ecosystems.**
- **Climate adaptation involves adjusting to the effects of climate change**, while climate mitigation aims to reduce its causes.
- Despite the billions pledged, **a fundamental question remains: are these strategies truly optimal and equitable?**
- **The so-called climate pledges are fraught with issues insufficient in quantum**, offered as loans rather than grants, **riddled with conditions, and aimed at profit maximisation** rather than genuine green intensification.
- **There is often a hidden no behind the yeses** as evidenced by discussions leading up to COP29, **where developed nations like the US pushed to make contributions to the New Collective Quantified Goal (NCQG) voluntary.**

Critical Examination of Chapter 13 of the Economic Survey -

• Historical Emissions and Developed Nations' Responsibility —

- One of the key points addressed in Chapter 13 is the **principle of historical emissions.**

- **India has consistently highlighted that developed countries have historically used global resources** in environmentally destructive ways to fuel their industrial growth and economic prosperity.
- This **exploitation has significantly contributed to the current climate crisis**. However, these countries often refuse to take full responsibility for their past actions.
- The **chapter argues that acknowledging historical emissions is crucial for a fair and just approach** to climate change mitigation and adaptation.
- **Developed nations have a moral obligation to support developing countries** in their climate efforts, recognising the disproportionate burden they have placed on these nations.
- Flaws in Climate Pledges —
 - The **funds pledged are often insufficient** to meet the ambitious climate goals set by international agreements.
 - The **amount of financial support required for meaningful climate action in developing countries far exceeds** what has been promised.
 - Much of the financial aid is **offered in the form of loans rather than grants**.
 - This **creates a burden on developing countries**, which must repay these loans, often with interest, rather than receiving the outright support needed for sustainable development.
 - The **aid provided is frequently tied to conditions that prioritise the donor countries' economic and strategic interests**.
 - This **conditionality can limit the recipient countries' ability to implement climate strategies** that are most suitable for their unique contexts.
 - The **underlying motive of many climate pledges appears to be profit maximisation** for the donor countries rather than genuine efforts to foster green development.
 - This **focus on economic gain undermines the altruistic intent of climate aid**.
- The New Collective Quantified Goal (NCQG) Controversy —
 - The **discussions leading up to COP29 revealed a significant issue: the push by developed nations, particularly the US, to make NCQG contributions voluntary**.
 - This move undermines the collective effort required to address climate change effectively.
 - **Voluntary contributions are unlikely to generate the necessary funds for global climate action**, and such a stance reflects a reluctance to commit to binding financial obligations.
 - This reluctance highlights the disparity between the rhetoric of climate leadership and the reality of financial commitments from developed nations.
- Questions about Optimal and Equitable Climate Strategies —
 - **Chapter 13 raises a fundamental question about the optimality and equity** of current climate strategies.
 - The chapter argues that before pledging billions of dollars, there should be a thorough assessment of whether the adopted strategies are in everyone's best interest.
 - **This involves holistic approaches which means moving beyond industrial pathways** and incorporating strategies that are inherently sustainable and aligned with natural ecosystems.
 - **It should also incorporate inclusivity which means ensuring that climate strategies are inclusive**, taking into account the needs and circumstances of all nations, particularly those that have historically contributed the least to climate change but are most affected by its impacts.
- India's Sustainable Ethos and Climate Commitment —
 - **India's traditional ethos is deeply rooted in sustainability**, reflected in practices like using natural materials, minimising waste, and valuing frugality.
 - **Chapter 13 emphasises that India's climate strategies should build on these sustainable practices**, combining them with modern technological advancements to achieve a balanced approach to development and environmental stewardship.

Suggestions for India's Climate Strategy -

- **Returning to Nature: The Mirror's Secret —**

- The best-kept secret, as known by the metaphorical mirror, **is that correcting the wrongs done to nature requires a return to it.**
- This **means adopting life strategies aligned with nature, beyond industrial pathways.**

- **Sustainable practices such as plant-based consumption, efficient agricultural production, and reduced reliance on energy-guzzling technologies are essential** but not adequately promoted by climate advocates.
- The Cost-Benefit Analysis of Consumption —
 - **India must reassess its options to avoid mimicking the unsustainable consumption patterns** of the developed world.
 - **Sustainable consumption involves economic and practical considerations**, such as the high resource demand for producing beef and lamb.
 - This requires a shift towards optimal and sustainable consumption choices.
- Implementing Mission LiFE —
 - The **Economic Survey 2024 outlines five ways to integrate Mission LiFE into daily life** through voluntary and policy actions.
 - However, **a deeper introspection is needed** to address over-consumption and waste.
 - **Achieving sustainability requires equanimity** the ability to maintain internal stability and adapt to external changes.

Conclusion -

- **Balancing development and sustainability is a complex challenge** for developing countries like India.
- **By critically examining existing strategies** and embracing traditional sustainable practices, **India can navigate its path towards a greener future** while meeting its developmental goals.

Source - [The Indian Express](#)

QUESTION - Critically analyse the metaphor comparing the modern climate crisis to "Snow White and the evil queen's obsession." Discuss the contradictions faced by developing nations like India in balancing economic growth with climate commitments. Evaluate the fairness of international climate strategies and financial pledges.

India's changing position on Climate Change

The government of India articulated a radically different position on climate change (at a time when it is becoming increasingly clear that the 1.5°C target would be missed) in the Economic Survey (ES) 2023-24 presented in the Parliament.

The ES has also observed that the proposed Carbon Border Adjustment Tax (CBAT) of the European Union (EU) is in violation of the spirit of the Paris Agreement and reiterates the Central government's concern on protectionism.

What is the Global Temperature Target?

- **According to the 2015 Paris Agreement**, countries must make efforts to ensure that the rise in global average annual temperature is contained -
 - Within 2°C from the pre-industrial times (average of 1850-1900 period), and
 - Preferably within 1.5°C.
- Every country has to prepare and implement an action plan that contributes towards meeting this target.

Why is India Challenging Global Climate Change Discourse?

- **Inequity of the global climate change architecture:** India has consistently criticised the inequity of the global climate change architecture and the indifference of developed countries in their climate efforts.
- **A single global temperature (1.5 or 2°C thresholds) target:** The global temperature target fails to reflect the intricate connections between climate, ecological integrity, and human well-being.
- **Alternate energy solutions had their own set of problems:** For example, critical minerals (required for batteries) were being mined in the most underdeveloped parts of the world,

adversely affecting regional ecological health.

Suggestions in the Economic Survey for the Climate Problem -

- **A more sustainable approach** to addressing the climate problem would involve changing lifestyle choices and minimising waste and overconsumption rather than switching to an alternate energy source.
- **A more balanced approach** suggests that the best insurance against climate change is to implement shorter-term policies aimed at improving people's quality of life.

What is the Carbon Border Adjustment Mechanism (CBAM)?

- **These are tariffs** that will apply on energy-intensive goods imported into the EU.
- **Its goal is to ensure that —**
 - Local producers of iron, steel, and aluminium (which use a significant amount of fossil fuel) do not face a competitive disadvantage when compared to
 - Producers of similar goods made in developing nations whose industries have more lenient emission standards for fossil fuels.
- The CBAM system is expected to come into force on January 1, 2026.

Why India criticises CBAM?

- **CBAM is in contravention to the Paris Agreement —** These taxes are in contravention to the spirit of the Paris Agreement that recognised Common but Differentiated Responsibilities (CBDR).
- **India is adversely affected by CBAM —**
 - In 2022, 27% of India's exports of iron, steel and aluminium products worth \$8.2 billion went to the EU.
 - To achieve net zero by 2070, India needs \$28 billion annually until that year.
 - India's climate action has been largely financed through domestic resources and the flow of international finance has been very limited.
 - Hence, CBAM will affect India's financial resources for climate change adaptation.

Source - [Multiple](#)

QUESTION - Explain the purpose of the Carbon Border Adjustment Mechanism (CBAM) proposed by the EU and why India has expressed concerns regarding this mechanism. Discuss how CBAM could impact India's climate action efforts and economic interests.