



THE DESERVING INDIA



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THE HINDU

# Editorial

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# COMPOUNDING CRISES

Water deficit worsens other  
Adverse events for

# THE POOR

A recent analysis of Central Water Commission data revealed that South India's reservoirs are only at 23% of their holding capacity, nine percentage points below the rolling decadal average. This signals an imminent water crisis, more severe than the 2017 situation. Several factors exacerbate this year's crisis. Firstly, ongoing El Niño events are making monsoons unpredictable, with the current being among the strongest recorded. Secondly, 2023 was the warmest year on record, with 2024 expected to be worse, according to meteorologists. Additionally, a general election will force millions outdoors this summer. Despite improvements in policies and forecasting, inadequate preparedness and implementation persist, compounded by unplanned urban growth, groundwater over-extraction, low water reuse efficiency, and catchment area encroachment. Climate change further complicates matters, increasing the likelihood of simultaneous crises like droughts and disease outbreaks, disproportionately affecting low- and middle-income countries like India. Governments' failure to learn from past crises or address underlying issues exacerbates the situation, emphasizing the need for comprehensive action beyond just water management.

01/04/2024







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# SOLAR SURGE

02/04/24

## INDIA'S SOLAR

### Industry Must grow without Compromising on quality

The Indian government has enacted a policy to reduce reliance on imported solar panels, requiring manufacturers to be certified by the National Institute of Solar Energy. This move aims to promote domestic production and enable certified companies to compete for government tenders, such as the PM solar rooftop scheme.

The policy is also a response to diplomatic tensions with China, which dominates global solar panel supply. India has ambitious plans to generate 500 GW of electricity from non-fossil fuel sources by 2030, with a significant portion coming from solar power. However, the country has struggled to meet its targets due to a shortage of domestic manufacturing capacity. Despite claims that the COVID-19 pandemic affected progress, installations have fallen short of the required annual additions. To bridge the gap, India has relied on imports, disadvantageous domestic panel manufacturers who must pay for certification but lose orders to cheaper Chinese imports.

The government has now mandated the implementation of the approved list, effective April 1, to address this issue. The success of India's solar industry hinges on meeting its 2030 commitments while ensuring affordability for consumers. This requires stringent quality checks for domestic manufacturers to maintain competitiveness and not compromise on cost or quality for nationalistic reasons. While growth and reputation as a high-quality exporter are desirable, there are no easy shortcuts.

The Indian solar industry must navigate challenges such as capacity limitations and global competition while maintaining a balance between growth, quality, and cost.

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# A REFORM WINDOW

03/04/24

# BUOYANT GST

## Revenues Create a chance to prioritise its overhaul

The financial year 2023-24 saw significant growth in net direct tax collections, rising by 19.9% and hitting 97% of revised budget targets, while GST revenues amounted to 20.18 lakh crore. March witnessed the second-highest gross GST revenues since its inception, potentially surpassing 2 lakh crore due to compliance effects. Average monthly collections grew by 11.6%, establishing a new revenue baseline for the coming year. Central GST collections exceeded revised estimates, prompting potential revisions for future targets. Increased collections may stem from tightened compliance measures. Despite a slight decline in GST on goods imports in March, the overall trajectory remains positive, providing room for tax reforms. Suggestions include rationalizing multiple rates, expanding to excluded items, and reducing levies on key products like cement and insurance. The GST Compensation Cess, used to repay pandemic-era borrowings, could be phased out earlier than the extended deadline of March 2026. However, caution is advised against replacing it with new levies, except for demerit goods like tobacco. Imposing high taxes on items such as hybrid vehicles may not align with India's green goals or economic objectives. Overall, the revenue performance of 2023-24 sets a promising foundation for future fiscal policies and tax reforms.



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# FISCAL BATTLE

04/04/24



## Kerala's suit raises questions on States' right to borrow and the Centre's power to limit it

The Supreme Court of India has referred Kerala's lawsuit against the Centre's restrictions on its borrowing to a Constitution Bench, recognizing it as a constitutional issue on Centre-State relations. Kerala argues that the Centre cannot regulate all state loans, only those from the Centre. The heart of the dispute lies in Article 293, which grants states executive power to borrow within limits set by their legislature, with the Union having the authority to extend loans and impose conditions. Kerala challenges the Union's inclusion of state-owned enterprises' borrowings under its 'Net Borrowing Ceiling'. The Union defends its stance, citing the need to prevent off-budget borrowings and maintain fiscal discipline to avoid crowding out private sector borrowers. This issue arises amidst concerns over revenue distribution, particularly penalizing states excelling in social indicators like Kerala. With fiscal space becoming scarce, the court must decide the balance between the Centre's strictness on borrowing limits and states' fiscal autonomy while upholding federal norms.



# “OVERKILL

05/04/24

## Verification of a statistically significant sample of VVPAT slips should suffice

The introduction of the Voter Verifiable Paper Audit Trail (VVPAT) alongside Electronic Voting Machines (EVMs) hasn't quelled criticism. Critics propose a more transparent system, suggesting the inclusion of a machine audit trail to track all executed commands, beyond the votes recorded by EVMs and VVPATs, to eliminate potential malicious code.

Others argue that VVPATs introduce new vulnerabilities absent in standalone EVMs, advocating for reworked safeguards to ensure robustness. Critics, including political parties like Congress, demand a 100% recount of all VVPATs for full transparency, with petitions related to this heard by India's Supreme Court. Despite concerns of malpractice and EVM hacking, no proof of tampering exists. Glitches in EVMs occur but are promptly resolved; claims of hacking lack substantiation. Recent elections, including the 2019 general and state assembly polls, showed negligible discrepancies between VVPAT and EVM counts due to minor errors like failure to delete mock votes or manual tally inaccuracies. Suggestions to enhance transparency include statistically significant sample increases for recounts based on electoral district sizes or focusing on close-margin seats. However, advocating for full recounts is deemed excessive and indicative of mistrust in the EVM system.



# “THE BIG FIGHT

06/04/24

## U.P. is critical as a battleground at the national level



Uttar Pradesh (U.P.), with its 80 Lok Sabha seats, is a pivotal battleground for Indian politics, particularly for the Bharatiya Janata Party (BJP) which has consistently performed well there. In the upcoming elections, the primary contest is between the BJP and the Samajwadi Party (SP), with other significant players like the BahujanSamaj Party (BSP) led by Mayawati opting to go solo amid declining fortunes. The political landscape is complex, featuring a multitude of smaller parties and alliances. The BJP-led National Democratic Alliance (NDA) has strengthened its position by incorporating the RashtriyaLok Dal (RLD), which holds sway among the agrarian Jat community in western U.P. Discontent over farm laws has fueled this alliance. Additionally, parties like Apna Dal (Sonelal), SuheldevBharatiyaSamaj Party (SBSP), and Nirbal Indian ShoshitHamaraAam Dal (NISHAD) are crucial for the BJP's outreach to specific subaltern communities. On the other hand, the SP and Congress have forged alliances, aiming to consolidate support from backward classes, Dalits, and Muslims to counter the BJP's Hindutva narrative. However, previous attempts at similar coalitions have seen limited success. The BSP, once a dominant force in U.P. politics, is struggling with leadership exits and a shrinking voter base. The state's political landscape remains fragmented along caste, religious, and regional lines despite the BJP's consolidation efforts over the last decade. The BJP's strategy leverages emotive issues like the Ram temple in Ayodhya to mobilize support and expects to surpass its 2019 performance in U.P. For the opposition to mount a credible challenge nationally, winning a substantial number of seats in U.P. is imperative.