

The Indian Express

Front Page

BJP asks Governor to direct Uddhav to take floor test (Page no. 3) (GS Paper 2, Polity and Governance)

Hours after he held extensive talks in New Delhi with Union Home Minister Amit Shah and BJP president J P Nadda, former Chief Minister Devendra Fadnavis, hoping to return to power in Maharashtra with the help of Shiv Sena rebel MLAs, met Governor Bhagat Singh Koshyari urging him to direct Chief Minister Uddhav Thackeray to prove his majority on the floor of the House.

Emerging from a meeting with the Governor at the Raj Bhavan in Mumbai, Fadnavis told reporters, “We have submitted a letter, through e-mail and physically, to the Governor.

We have mentioned the current political situation in Maharashtra and told him that 39 MLAs of Shiv Sena are out. They no longer wish to be with the Congress and NCP in the government.

This means that 39 MLAs are not with the government or do not wish to support MVA. And therefore, we have asked the Governor that since the government seems to be in minority, he should immediately instruct the government and the CM to conduct a floor test and prove his majority.

Fadnavis was accompanied by state BJP president Chandrakant Patil, senior MLAs Ashish Shelar, Girish Mahajan and Sudhir Mungantiwar, and Pravin Darekar, Leader of Opposition in the State Legislative Council.

Sources in the Sena rebel camp of Eknath Shinde, stationed in Guwahati, said Bacchu Kadu, president of Prahar Janshakti Paksh, is likely to reach Mumbai Wednesday morning and submit to the Governor a letter of withdrawal of support — with signatures of 51 MLAs — to the ruling MVA government.

All Sena rebels and independent MLAs and those belonging to the BJP are likely to reach Mumbai either. The BJP has instructed all its MLAs to be in Mumbai.

Sources said the BJP has booked over 125 rooms in a hotel and the MLAs are likely to stay there once they reach Mumbai.

After Prophet row, PM meets UAE President, both underline ties (Page no. 3) (GS Paper 2, International Relations)

Weeks after the United Arab Emirates (UAE), counted among India’s closest partners, joined criticism from the Islamic world against remarks on the Prophet by the now suspended and expelled BJP leaders, Prime Minister Narendra Modi met UAE President and Ruler of Abu Dhabi, Sheikh Mohamed bin Zayed Al Nahyan, popularly known as MBZ, and conveyed condolences on the death of the former president of the Gulf nation, Sheikh Khalifa bin Zayed Al Nahyan. The two leaders also reviewed bilateral ties.

In a special gesture, Mohamed bin Zayed, accompanied by senior members of the Royal family, received Modi at the Abu Dhabi presidential airport.

I am touched by the special gesture of my brother, His Highness Sheikh Mohamed bin Zayed Al Nahyan, of coming to welcome me at Abu Dhabi airport. My gratitude to him,” Modi tweeted in Arabic and English languages.

This is their first interaction after Mohamed bin Zayed’s election as the new President last month. During their meeting, Modi conveyed his condolences on the death of Sheikh Khalifa, who died on May 13, at the age of 73, after a long illness. He also congratulated Mohamed bin Zayed on his election as President.

Bilateral trade in FY 2021-22 was about US\$ 72 billion. UAE is India’s third largest trade partner and second largest export destination. UAE’s FDI in India has increased over the past few years and currently stands at over \$12 billion.

Pre-packaged food under GST, 12% tax on hotels with tariff up to Rs 1,000 (Page no. 3) (GS Paper 3, Economy)

Bringing pre-packaged and labelled food items such as wheat flour, puffed rice, curd/ lassi/ buttermilk and paneer under the GST net, withdrawing exemption for hotels with rent below Rs 1,000 a day and correction of inverted duty structure for host of items such as edible oils, coal, LED lamps, printing ink, knives and solar water heaters are learnt to have been approved by the Goods and Services Tax (GST) Council on the first day of its 47th meeting.

The discussion on the contentious issue of extension of compensation for states beyond June 2022 and 28 per cent GST rate on casinos, online gaming, and horse racing, are to be taken up for deliberations.

According to sources, the GST Council has also approved compliance measures for high-risk taxpayers including mandatory biometric authentication, inclusion of electricity bill data, real-time validation of all bank accounts against a particular PAN and geo-tagging.

Mandatory generation of e-way bills by states for intra-state transportation of gold and precious stones has also been approved by the Council but the decision on the threshold has been left to the states.

The correction of inverted duty structure and withdrawal of exemptions were part of the interim report of the Group of Ministers on rate rationalisation, headed by Karnataka Chief Minister Basavaraj S Bommai, which has been given an extension for submission of the final report.

It has recommended 12 per cent tax on hotel rooms costing less than Rs 1,000 a day which are presently exempt, increasing the rate on manufacturing services of leather goods, clay bricks from 5 per cent to 12 per cent, and hiking GST on LED lamps, ink, knives, blades, power driven pumps, spoons, forks, dairy machinery from 12 per cent to 18 per cent.

Editorial Page

Preparing for 5G (Page no. 8)

(GS Paper 3, Science and Technology)

The government has taken several measures to build the next generation of digital infrastructure. But the success of initiatives such as Bharatnet Phase III and the world's largest rural broadband project — which aim to provide broadband connectivity to all 2.5 lakh gram panchayats across the country — hinge on the deployment of high-quality fibres.

A basic requirement of 5G will be data transmission networks. Optical fibre is the backbone of the digital infrastructure required for this purpose — the data is transmitted by light pulses travelling through long strands of thin fibre.

Indian manufacturers have a strong presence across the value chain of this industry. In the last 10 years, domestic manufacturers invested more than Rs 5,000 crore in this industry, which has generated direct and indirect employment for around 4 lakh individuals. India exported optical fibre worth \$138 million to over 132 countries between April 2020 and November 2021.

India's annual optic fibre manufacturing capacity is around 100 million fibre km (fkm) and the domestic consumption is around 46 million fkm. Indian optical fibre cable consumption is predicted to increase to 33 million fkm by 2026 from 17 million fkm in 2021. A little more than 30 per cent of mobile towers have fibre connectivity; this needs to be scaled up to at least 80 per cent.

In anticipation of this demand, domestic manufacturers have been ramping up their capacities over the last few years. However, India's optical fibre industry has also seen unfair competition from cheap imports from China, Indonesia and South Korea.

These countries have been dumping their products in India at rates lower than the market price. The World Trade Organisation defines dumping as “an international price discrimination situation in which the price of a product offered in the importing country is less than the price of that product in the exporting country's market”.

Imposing anti-dumping duties is one way of protecting the domestic industry. The Directorate General of Trade Remedies has recently begun investigations against optical fibre imports. One hopes that the probe will also catalyse other efforts to encourage local manufacturing.

Idea Page

Inevitability of Agnipath (Page no. 9)

(GS Paper 3, Defence)

From the Peace of Westphalia in 1648 till the end of the First World War in 1918, military strategists had convinced themselves that once a general mobilisation for war was ordered it must culminate in a full-scale conflict.

For, rolling back a fully marshalled army from going into battle had grave internal consequences including and not limited to regime change.

In May 1892, in a memorandum to the Russian Foreign Minister Nikolay Girs, the Adjutant General of the Russian Army Nikolai Orbuhev explained why the traditional method of determining casus belli of war had been overtaken by modern technology.

What mattered most now was who mobilised first and not who fired the first shot. “The undertaking of mobilisation cannot be considered as a peaceful act. On the contrary, it represents the most decisive act of war,” he opined.

Within a month of the assassination of Archduke Franz Ferdinand, heir to the Austro-Hungarian throne, on June 28, 1914, the doomsday machine of general mobilisation unleashed itself.

Once Austria-Hungary and Germany started to mobilise, other European powers followed suit and World War I commenced. By 1918, this Armageddon had left 17 million people dead.

The Second World War was triggered by the imperatives of the alliance system. In 1938, German troops annexed Austria before occupying Sudetenland, a part of German-speaking Czechoslovakia.

However when the Nazis marched into Poland on September 1, 1939, Great Britain, according to the terms of the Anglo-Polish Pact, declared war on Germany on September 3.

France followed suit and the war dominos were in full play. By the time it was all over in 1945, 85 million people were dead and large parts of the world lay in ruins.

Not a yesterdays club (Page no. 9)

(GS Paper 2, International Relations)

The meeting of G7 leaders that concluded in Bavaria in Germany on Monday was an important one since it took place against the backdrop of a triple crisis: The war in Ukraine, the challenge of post-pandemic economic recovery and the eternal issue of climate change. In the circumstances, the G7 countries managed to present a united front which was noteworthy.

A standalone G7 Statement on Support for Ukraine was issued — an unmistakable indication of what was foremost in the minds of the leaders of these countries.

There was an unconditional commitment that the grouping will provide financial, humanitarian, military and diplomatic support and stand with Ukraine for as long as it takes.

Predictably, the statement comes down very hard on Russia and comes close to accusing it of war crimes. Russia was also warned that any use of chemical, biological and nuclear weapons would be met with severe consequences.

Further intensification of sanctions against Russia was contemplated, including tariffs on Russian products, targeting gold exports, capping oil prices and restricting access to technology.

Despite the toughly-worded statement, it is unlikely the war in Ukraine will come to a quick halt. Indeed, the G7 statement may have the opposite effect of increasing Russia's intransigence.

Worse, increasing military assistance by the West to Ukraine, evidenced by the impending supply of the Norwegian Advanced Surface-to-Air Missile System (NASAMS, used by the Americans to protect the White House) by the US to Ukraine, could lead to an arms race.

Russia too, by relentlessly pursuing hostilities in the Donbas region, is not helping matters. As if all this were not enough, NATO, ahead of its summit meeting in Madrid following the G7 Summit, has already let it be known that its rapid reaction force, meant to protect the alliance's Eastern flank, will be increased from its present strength of 40,000 to a whopping 300,000.

Govt. and Politics

Jump in demand for NREGS: 2.6 cr families covered in May (Page no. 10)

(GS Paper 2, Welfare Schemes)

After a dip in April, the demand for work under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has again seen a rise.

According to an analysis of official data, 39 lakh more families availed the rural job guarantee programme across the country in May this year as compared to the same month last year.

The data, obtained from the NREGA portal, shows that 2.61 crore households worked under the scheme in May 2022, which is 39 lakh – or 17.39 per cent – higher than 2.22 crore in the corresponding month of last year.

The number of households that availed the NREGS is lower than May 2020, when it sharply rose to 3.30 crore as migrants returned to their villages in wake of lockdown during the first wave of Covid-19. However, it is higher than the 2.10 crore figure recorded in May 2019 in the pre-pandemic times.

In April this year, 1.86 crore families availed the NREGS, which is 26 lakh – or 12.27 per cent – lower than the number recorded in April last year.

In all, out of 33 states and Union Territories, for which comparable data is available, 21 states and UTs – Uttar Pradesh, Tamil Nadu, Rajasthan, Bihar, Kerala, Maharashtra, Karnataka, Nagaland, Himachal Pradesh, Uttarakhand, Assam, Gujarat, Telangana, Puducherry, Arunachal Pradesh, Mizoram, Sikkim, Ladakh, Goa, Andaman and Nicobar and Lakshadweep – recorded a combined increase of 68 lakh in the number families availing the NREGS during May 2022 (1.73 crore families) over the same month of last year (1.05 crore families).

Express Network

Control rooms to enforce ban on single-use plastic: Minister (Page no. 11) **(GS Paper 3, Environmental Pollution and Degradation)**

WITH THE ban on single-use plastic coming into force on July 1, the government will be setting up control rooms at national and state levels to ensure its effective enforcement, Environment, Forests and Climate Change Minister Bhupender Yadav.

Apart from the control rooms, which will be supervised by the Central Pollution Control Board, special enforcement teams will be formed to check illegal manufacture, import, stocking, distribution, sale and use of the 12 banned single-use plastic items that was announced by the ministry last year.

States and Union Territories have been asked to set up border check points to stop inter-state movement of any banned single-use plastic item, said CPCB officials.

The list of banned items include ear buds with plastic sticks, plastic sticks for balloons, plastic flags, candy sticks, ice-cream sticks, polystyrene (thermocool) for decoration, plastic plates, cups, glasses, cutlery such as forks, spoons, knives, straw, trays, wrapping or packing films around sweet boxes, invitation cards, cigarette packets, plastic or PVC banners less than 100 micron, stirrers.

The items have been chosen on the basis of three criteria – their low utility, high littering potential and availability of alternative materials.

We know that the manufacturers of these banned items have already shifted or are in the process of shifting, and notices had been sent out by the CPCB last year to these companies alerting them of the ban and to begin the process. We have given manufacturers plenty of time for preparation – 11 months – before the ban was to come into force. We believe that we have their support and cooperation,” said Yadav at an informal press briefing.

Economy

Some Oppn states seek tweak in revenue sharing formula (Page no. 13) **(GS Paper 3, Economy)**

With states asking for an extension of the compensation mechanism beyond June 2022 under the Goods and Services Tax (GST) regime, some Opposition-ruled states have also suggested tweaking the revenue sharing formula between the Centre and states under the indirect tax regime.

States have also cited a recent Supreme Court ruling to state that decisions made by the Council are persuasive in nature and should not be considered as ‘binding edicts’, which could disrupt fiscal federalism and rather provide equal power to legislate on GST.

The Supreme Court, in the Mohit Minerals Ocean Freight case, had ruled the recommendations of the GST Council are not binding and only have persuasive value. It held that Parliament and state legislatures can equally legislate on GST. Chhattisgarh Finance Minister T S Singh Deo, in a letter to Union Finance Minister Nirmala Sitharaman, said if the protective revenue provision is not continued, then the 50:50 formula for central GST (CGST) and state GST (SGST) should be tweaked, with the share of states at 70-80 per cent and CGST at 20-30 per cent.

We are presenting the proposal in the GST Council to continue with the 14 per cent protected revenue provision. If the protective revenue provision is not continued then the 50 per cent formula for CGST and SGST should be changed to SGST 80-70 per cent and CGST 20-30 per cent.

The GST Council on the first of its two-day meeting in Chandigarh saw a general consensus among states on rate rationalisation, which includes correcting inverted duty structures and expanding the tax base.

The second day of the meeting is set to take up the more contentious issue of extending the compensation to states beyond June 2022.

Explained

Speaker’s powers in a rebellion (Page no. 14) **(GS Paper 2, Polity and Governance)**

While granting interim relief to rebel MLAs of the Shiv Sena on Monday, the Supreme Court made a crucial but unusual judicial intervention that raises questions on the powers of the Speaker under the Tenth Schedule of the Constitution. The Speaker’s powers under the Tenth Schedule have been previously upheld by the Supreme Court itself; the court has allowed judicial review only once the Speaker has made a decision, and has ruled out interference with the process.

The interim order grants more time to the rebel MLAs — until July 11 — to reply to the disqualification notice served on them. It seeks affidavits from them, and also a counter-affidavit from the Deputy Speaker on his removal as demanded by the rebels.

In granting more time, the Supreme Court has essentially delayed the disqualification proceedings, which would have a direct impact on a trust vote in the Assembly, whenever it takes place.

The issue of considering the removal of the Deputy Speaker himself is more complex and raises questions on the sanctity of the Tenth Schedule.

Russia's gold reserve and why G7 has moved to ban imports (Page no. 14)

(GS Paper 2, International Relations)

Russia appears to have defaulted on its foreign debt for the first time since the 1917 Bolshevik Revolution, and the US and its allies are taking aim at the former Soviet Union's second largest export industry after energy — gold.

On Tuesday, the Group of Seven nations will formally announce a ban on Russian gold imports in the latest round of sanctions over Vladimir Putin's invasion of Ukraine.

The US says Russia has used gold to support its currency as a way to circumvent the impact of sanctions. One way to do that is by swapping gold for a more liquid foreign exchange that is not subject to current sanctions.

Some experts say since only a few countries are implementing the gold ban, the move is largely symbolic, while others, including those in the administration, say a ban on imports of Russian gold will target its ability to interact with the global financial system.

Secretary of State Antony Blinken told CNN on Sunday that since gold is Russia's second most lucrative export after energy and nearly 90% of the revenue comes from G-7 countries, "cutting that off, denying access to about \$19 billion of revenues a year, that's significant."

Partners in the Blue Pacific (Page no. 14)

(GS Paper 2, International Relations)

Amid China's aggressive push to increase its Pacific sphere of influence, the US and its allies — Australia, New Zealand, Japan and the United Kingdom — have launched a new initiative called 'Partners in the Blue Pacific' for "effective and efficient cooperation" with the region's small island nations.

The geostrategic competition in the region has intensified of late after China made the projected scope of its growing footprint clear by pushing for a sweeping, common cooperation agreement with 10 Pacific nations.

The PBP is a five-nation "informal mechanism" to support Pacific islands and to boost diplomatic, economic ties in the region. Announced on June 24, it speaks of enhancing "prosperity, resilience, and security" in the Pacific through closer cooperation.

It simply means that through the PBP, these counties — together and individually — will direct more resources here to counter China's aggressive outreach.

The initiative members have also declared that they will "elevate Pacific regionalism", and forge stronger ties with the Pacific Islands Forum.

In a joint statement released to announce the initiative, the five member nations said that the forum remains open to cooperating with additional partners, adding that "at every stage, we will be led and guided by the Pacific Islands. We will seek Pacific guidance on the PBP's selection of its lines of effort and its flagship projects".

The areas where PBP aims to enhance cooperation include "climate crisis, connectivity and transportation, maritime security and protection, health, prosperity, and education".

Niti Aayog's report on India's gig economy: the takeaways (Page no. 14)

(GS Paper 3, Economy)

Government think-tank Niti Aayog has proposed fiscal incentives, like tax breaks or startup grants, for companies with about one-third of their workforce as women and people with disabilities. This is in an attempt to increase the participation of women in the gig economy.

In a report titled 'India's Booming Gig and Platform Economy', the organisation also recommended extending social security measures such as income support, paid sick leaves, insurance and pension plans to people working for platform companies like Swiggy, Zomato, Ola, and Uber.

The organisation, in its report, noted that female labour force participation in India has remained low, oscillating between 16 per cent to 23 per cent in the last few years.

Similarly, persons with disabilities, who make up for 2.11 to 10 per cent of India's population, have a labour force participation rate of 36 per cent.

Structural barriers like access to education and lack of skilling have hindered participation of the two demographic groups in the country's labour force.

Based on a survey conducted across urban centres of India, the report also said women are more likely to take up platform jobs after their education and marriage.

Fiscal incentives such as tax-breaks or startup grants may be provided for businesses that provide livelihood opportunities where women constitute a substantial portion (say, 30 per cent) of their workers.

**What is Hermit, the Pegasus-like spyware that targeted Android, iOS devices? (Page no. 14)
(GS Paper 3, Science and Technology)**

'Hermit' is the latest sophisticated spyware in the news, and it is believed to have targeted iPhones and Android devices in Italy and Kazakhstan. Hermit's deployment – the spyware has been developed by an Italian vendor called RCS Lab – was first reported by cyber security researchers at the Lookout, a San-Francisco-based cybersecurity firm.

Then Google's Threat Analysis Group (TAG) put out a detailed blog post last week, explaining how they believed Hermit was used to target devices.

Hermit is a spyware on the lines of Pegasus by NSO Group. Once installed on a device, it can record audio on the device, carry out unauthorised calls, and carry out many unauthorised activities.

According to Lookout, the spyware can steal stored account emails, contacts, browser bookmarks/searches, calendar events, etc.

It can also take pictures on the device, steal device information such as details about applications, the kernel information, model, manufacturer, OS, security patch, phone number, etc. It can also download and install APK (the app software files on Android) on a compromised phone.

The spyware can also upload files from the device, read notifications, and take pictures of the screen. Because it can gain access to the root or the 'privilege' access of an Android system, Lookout's research showed, it can uninstall apps like Telegram and WhatsApp.

According to the researchers, the spyware can silently uninstall/reinstall Telegram. Except the reinstalled version is likely a compromised one. It can also steal data from the old app. For WhatsApp, it can prompt the user to reinstall WhatsApp via Play Store.