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Why the South is Angry

Both in terms of their share of tax revenues and popular representation, India's southern states are battling systemic discrimination



On 7–8 Feb, Delhi saw the southern states protest against the Centre's fiscal policies. (Left) The Karnataka contingent, featuring CM Siddaramaiah and deputy CM D.K. Shivakumar; (right) the Kerala march led by CM Pinarayi Vijayan

Suresh Dharur

Is Gujarat a beggar state? Are we beggars? People of Gujarat send Rs 60,000 crore and what comes back?" scoffed the then chief minister Narendra Modi in December 2012. Come February 2024, Prime Minister Narendra Modi is scoffing again. This time his barbs are aimed at the Opposition for sowing seeds of disunity and at the southern states for demanding a higher share of taxes from the Centre. 'PM Modi is the political opposite of CM Modi,' jibed former Tamil Nadu finance minister Palanivel Thiaga Rajan.

The provocation was a day-long fast led by Karnataka chief minister Siddaramaiah and deputy chief minister D.K. Shivakumar. All the MPs and MLAs from the state gathered at Jantar Mantar in Delhi on 7 February.

BJP MP from South Bengaluru Tejasvi Surya took to X to prove that, in absolute terms, the devolution of taxes to Karnataka in the 10 years since 2014 was two-and-a-half times more than in the previous decade (2004–2014). What he failed to mention was the surge in tax collection and correspondingly higher taxes contributed by the state during this decade.

"Around 4.5 lakh crore rupees will be Karnataka's contribution to central taxes this year," said Karnataka minister Ramalinga Reddy, but, according to the formula laid down by the 15th Finance Commission, "only Rs 50,000 crore will come back to the state from the central government".

Not just Karnataka, the share of all five southern states has declined since 2020.

"States contribute to the Union so that we can all grow. But the Union also has equal responsibilities towards every state. What would PM Narendra Modi say to CM Modi on the funds due to states?" tweeted Congress general secretary K.C. Venugopal.

What triggered the outrage was a table in the interim budget that indicated that this year Uttar Pradesh will receive a larger share of central taxes than all the southern states combined. On what grounds? Yes, UP is the largest state with a higher population but as per the 2011 census, the total population of the five southern states (240 million) was higher than the population of UP (199.8 million). The southern states are more efficient and have scored better on birth control and social indices. Why, then, are they being punished?

The BJP sneered at the comparisons and accused the Congress government in Karnataka of seeking an alibi for its inability to fund pre-election freebies as promised.

"For the last 30 years, tax devolution is increasing for the northern states and decreasing for South India. While we do not grudge paying for the development of the northern states, two issues need to be addressed. How long will the South sacrifice and why are the northern states unable to develop despite hand-holding and a higher share in taxes? Where is the money being spent?" asked Thiaga Rajan, at a panel discussion.

The controversy stoked strong feelings, with outline maps of the 'United States of

South India' trending on social media. A sardonic post with a picture of bike riders read, 'On our way to study and work hard, so that we can contribute more taxes to Bihar and Uttar Pradesh so that they can raise their children and send them to Bengaluru to work.' #SouthTaxMovement became the trending hashtag on micro blogging site X.

States losing financial autonomy

Historically, the South has been subsidising the North, points out Siddaramaiah. "For every one rupee of tax contributed by Uttar Pradesh, it received Rs 1.79 from the Centre as devolution, Bihar as much as Rs 7.06 while Karnataka receives just 47 paise," he claimed. Similarly, for every rupee that Telangana contributes to the Centre by way of direct taxes, it gets back 43 paise, Andhra Pradesh 49 paise and Tamil Nadu 29 paise.

Protests are spiralling in the South, with even Andhra Pradesh chief minister Y.S. Jagan Mohan Reddy, deemed to be close to the BJP, speaking up. Making a power point presentation at the assembly on 6 February, Reddy claimed, "When the 13th Finance Commission recommended devolution of 32 per cent of central taxes to states for the 2010–2015 period, the states received, on an average, only 28 per cent of the central taxes. The 14th Finance Commission recommended a devolution of 42 per cent for the period (2015–20) but the states received only 35 per cent on an average. The 15th Finance Commission recommended 41 per cent devolution for the period 2020–2025, but states are receiving an average of 31.5 per cent".

Ironically, Modi advocated devolution of 50 per cent to the states when he was chief minister of Gujarat. Last month, the Reporters' Collective quoted Niti Aayog CEO B.V.R. Subrahmanyam as saying that PM Modi, in early 2015, had wanted the devolution to be pegged at 33 per cent, against the Commission's recommendation of 42 per cent. The chairman, former RBI governor Y.V. Reddy, refused to budge, following which

Central cesses and surcharges, which are not part of the divisible pool of tax revenues and hence exclude the states, have grown alarmingly—from 8.6% in 2010–11 to 28% in 2021–22

Modi typically took the credit for being generous to the states by increasing the devolution from 32 to 42 per cent.

The 15th Finance Commission calculated the state's share in the divisible pool of taxes based on each state's needs (population, area, forest and ecology), equity (per capita income difference) and performance (own tax revenue and lower fertility rate). The weightage assigned to needs was 40 per cent, equity 45 per cent and performance 15 per cent. This formula meant that Uttar Pradesh and Bihar got 17.9 per cent and 10 per cent, respectively. Karnataka, Kerala and Tamil Nadu got 3.65 per cent, 1.93 per cent and 4.08 per cent, respectively. Though introduction of the fertility rate in the formula was meant to reward states which had reduced fertility levels, the weightage given to the category is relatively lower than equity and need.

The Union government has since begun to rely on imposing cesses and surcharges, which are not part of the divisible pool. The share of central cesses and surcharges in gross tax revenue has risen steadily. From 10.4 per cent in FY12, their share climbed to 11.4 per cent in FY18 and 20 per cent by FY21. While the surge in cess/ surcharge revenue—

largely through duties on fuel—has swelled the Union government's coffers, it has also shrunk the divisible pool of resources.

The 15th Finance Commission had also highlighted what was problematic about the growing share of cesses and surcharges in Union revenues. A report by Emkay Global Financial Services suggested that the way to increase devolution to the states would be to bring cess-and-surcharges collections into a divisible pool.

"By this inclusion, the states will get a bigger pie of devolution from the Centre's net proceeds to meet their expenditure commitments," the report had said.

The Goods and Services Tax (GST) introduced in 2017 increased the states' reliance on the Union government for funds. "Once GST came into effect, everything was centralised. Now state governments hardly have any flexibility when it comes to taxation," said Kannada activist Ganesh Chetan.

"We have been demanding that the shareable portion of GST be changed from the current 50:50 ratio to 60:40 in favour of the states," said Kerala finance minister K.N. Balagopal.

Tara Krishnaswamy, co-founder of the non-partisan NGO Political Shakti, told *The South First* that the imbalance worsened with the 15th Finance Commission utilising population as a crucial factor in determining devolution. "This decision favoured the more populous northern states that struggle to implement family planning, while penalising states such as Tamil Nadu and Karnataka with lower fertility rates," she explained.

By shifting the base year for determining expenditure needs from 1971 to 2011 population figures, the 15th Finance Commission introduced a change that "favoured the states which neglected birth control and family planning," said analyst and author K. Ramesh Babu.

New challenges

Meanwhile, the 16th Finance Commission, which has already been formed and will sub-

mit its recommendation towards the end of 2025, must re-prioritise the devolution formula from redistribution to incentivising growth, instead of punishing the 'performing states' which include Maharashtra and other states as well.

"In view of the inordinate rise in fiscal imbalances, the Commission also needs to re-examine the union government's 2018 Fiscal Responsibility and Budget Management Act," says D.K. Srivastava, chief policy advisor, Ernst & Young India. Also, the performance-based incentives suggested by the Finance Commission would actually end up robbing the states of their freedom to make independent decisions.

"Any conditions on the states' ability to borrow will have an adverse effect on the spending by the states, particularly on development. This will surely undermine the spirit of cooperative federalism," said economist A. Srinivasa Rao. Moreover, it does not hold the Union government accountable for its own fiscal prudence and dilutes the joint responsibility that the Union and states have.

Political fault lines

A forum of southern states has been proposed, to fight for equitable distribution of resources from the Centre, including tax share from the divisible pool. "An economic alliance of southern states is already on the table for discussion, and stakeholders want Karnataka to take the initiative," said Basavaraj Rayareddy, economic advisor to Karnataka.

The southern states need a powerful platform since their voices are not being heard, he said, while pointing out that the northern states have much higher political representation in Parliament by virtue of their higher population. The delimitation exercise, put on hold till 2026, is expected to further skew the position.

N. Jayaprakash Narayan, former bureaucrat and founder of Lok Satta, an NGO working in the area of democratic and electoral reforms, strikes a different note. "India is a diverse country with glaring regional inequalities within a given state. There are historical reasons for this, as well as policy mistakes made in the past. In the interest of the country's unity and common market, India must be treated as one unit and allocation of resources should be need-based," he argues.

The overwhelming sentiment in the South, however, is that the threat to federalism has never been as serious as it is now with the Centre systematically usurping the rights of the states and taking unilateral decisions.

Separate protests in the national capital by Karnataka Congress legislators and MPs, CPI(M) leaders from Kerala, DMK leaders from Tamil Nadu and West Bengal chief minister Mamata Banerjee in Kolkata indicate the growing frustration of states at losing their 'tax autonomy' to the Centre.

"After delimitation of the constituencies, the South will lose out further in terms of the number of Lok Sabha seats. This is also adding to a sense of betrayal," says political analyst and former MLC Prof K. Nageswar. ■



For every rupee of tax contributed by UP, it receives Rs 1.79 from the Centre as devolution, Bihar as much as Rs 7.06 while Karnataka receives just 47 paise.

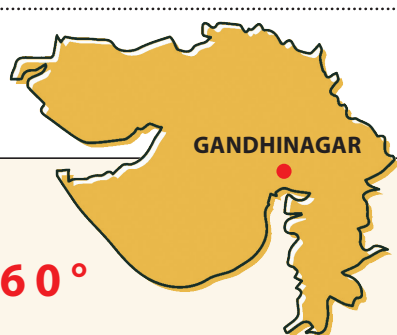
SIDDARAMAIAH
Chief minister,
Karnataka



For the past 30 years, tax devolution has been increasing for the northern states and decreasing for South India. Why are the northern states unable to develop despite hand-holding?

P. THIAGA RAJAN
Former finance minister
of Tamil Nadu

STATES 360°



GUJARAT

GIFT City, ghost towns and grey geese



Sujata Anandan

One of the largest diamond companies in India, Kiran Gems, the first and practically the only operator at the Surat Diamond Bourse (SDB) which opened with fanfare in November 2023, has shut shop and moved back to Mumbai with 15 truckloads of gems and jewels.

Director of Kiran Gems, the billionaire diamond trader Vallabhai Lakhani, had enthusiastically supported the Surat venture when it was first mooted in 2012. The shift last year was hailed as 'historic', while the fact that he moved many of his workers into a 1,200-apartment housing complex near SDB, built at his own expense, signalled he meant to stay. His entire workforce, however, refused to leave Mumbai, and he was recruiting locals was not easy.

Other biggies had stayed put in Mumbai, opting to wait and watch, but smaller players found Lakhani's enthusiasm infectious and bought commercial space in SDB. With Lakhani turning his back on Surat, it's unlikely they will consider relocating.

Reports suggest that Lakhani's turnover plummeted to 20 per cent of what it was in Mumbai. Despite the razzle-dazzle of

'Digital India' and the 'Gujarat Model', poor international digital connectivity was apparently a major factor. Surat's international airport was inaugurated in a hurry but has been of little use, with airlines preferring to fly to neighbouring Ahmedabad. Meanwhile, Mumbai ports continue to handle cargo better and faster than Surat, for all its modern facilities. Clearly, a glittering building complex alone cannot build confidence.

Industry analysts are not surprised at the turn of events. It took a good 15 years for diamond merchants to shift to Mumbai's Bharat Diamond Bourse, as traders were reluctant to leave Opera House, historically considered both lucky and convenient. Give SDB time, they say.

Soon after Kiran Gems packed up and moved out of Surat, Nagjibhai Sakariya, president of the managing committee of SDB, put in his resignation. As they say, it never rains but it pours.

Can one night of song-and-dance revive a dead city?

Sixteen years after it first began to take shape, the Gujarat International Finance-Tec (GIFT) City, is not quite

there yet. A diplomat from Singapore, intrigued by boasts that GIFT city would soon beat Singapore as Asia's leading financial centre, quietly visited GIFT City and on his return quipped that it was "not quite alive by day and absolutely dead by night".

The "dead by night" comment stung enough for alcohol authorities to permit the sale of alcohol to ring in the New Year, quite failing to understand that the vibrancy of nightlife in cities like Mumbai or Singapore is the result of many factors other than alcohol.

Spread over 900 acres with 62 million square feet of built-up area, and the promise of five lakh direct jobs, GIFT City has just about 20,000 workers, employed by banks and other financial institutions.

Envisaged as a self-contained city, buildings are still under construction or unoccupied, and plots allotted to malls, petrol pumps and residential complexes are still vacant with just one housing society fully functional. Expectations that it would attract a lot of foreign residents have also been dashed.

Despite policy changes, cancellation of construction contracts, court cases and lack of facilities, GIFT City is still harbouring hopes of competing with Mumbai's financial hub in Bandra Kurla Complex (BKC). Perhaps that's the nub of it—BKC does not aspire to be more than a hub. And yet it does far more business and attracts many more international companies than GIFT City, which has been projected as a complete lifestyle city.

Possibly, some of that 'lifestyle' was what inspired the Gujarat government to persuade organisers of the Filmfare Awards to hold their annual song-and-dance extravaganza in GIFT City last week. The signature event of the *Times of India* group has always been held in Mumbai; but for all-too-obvious reasons, the proposal to host it in GIFT City this year was not refused. Bollywood stars fell in line and put up a great show as usual.

But what's one evening in the life of a city? The stars flew back home and GIFT City went back to being a 'ghost city' again.

When cops play ED officials

Camsters posing as policemen, CBI, representatives of the PMO and so on are not new in the state. With the Enforcement Directorate (ED) emerging as the most feared central agency, there's a new game in town, with police officers playing ED officials in a bid at extortion.

The Junagadh ATS (Anti-Terrorism Squad) filed an FIR against three police officers—inspector Taral Bhatt, inspector Arvind Gohil and assistant sub-inspector Dipak Jani—for having frozen at least 300 bank accounts in the city on the pretext of said account holders having allegedly violated financial regulations.

The matter first came to light when Kartik Bhandari, a Kerala-based businessman approached his bank to know the grounds for freezing his account. He was told that the three police officers had instructions from the ED to do so.

When he approached the police officers for details, they demanded Rs 5 lakh to unfreeze his account. On pleading that he did not have that kind of money, he was told that others with frozen accounts had paid as much as Rs 25 lakh to restore their accounts,

and that they would not settle for less than Rs 5 lakh.

Investigations revealed that the inspectors had also made attempts to transfer funds from the frozen accounts to an anonymous account. All three have been suspended.

Nifty shades of grey

The yellow sands of Jodhpur are known to turn white in winter when the Demoiselle Cranes fly in from Central Asia, just as parts of Mumbai and Navi Mumbai turn pink with flamingos visiting from around the world.

This year, the wetland bird sanctuary of Khijadiya near Jamnagar has been rippling with grey. Never before have Greylag Geese been seen in such large numbers in this region, say birders.

While enchanted by the avian visitors from Europe and North Africa, they also wonder what changes in their nesting patterns and travel routes warranted this detour from their usual wintering spots in central and west Asia to India's wetlands. Sanctuary officials are busy determining how many birds are making Jamnagar their home this hatching season.



STATES 360°



MAHARASHTRA

Cry, my beloved Maharashtra!

Sujata Anandan

With the Election Commission (EC) declaring the breakaway Ajit Pawar as the 'real' NCP—even before the Speaker of the Assembly decides on the split—this round has gone decidedly in favour of the nephew. For the Rajya Sabha election due on 27 February, the EC has accepted the name suggested by the parent party: 'Nationalist Congress Party-Sharadchandra Pawar'. The Ajit Pawar-led NCP is not quite happy with this. Sharad Pawar's name clearly counts and the Maratha warrior is not known to give up without a fight.

Ajit, now 63 years old, was in primary school when his uncle, now 84, was building his career in politics. Keen to wrest that political legacy from his cousin—Sharad Pawar's daughter Supriya Sule, MP from Baramati—Ajit joined hands with the BJP. A majority of the NCP legislators support him—this is the ground on which the ECI declared his faction the 'real' NCP. By all appearances, the nephew has outsmarted the uncle. But has he?

While leaving it up to the ECI to decide, the Supreme Court observed that the loyalty of legislators cannot be a measure to decide the support of the party organisation. Legislators are both fielded and denied tickets by the party, the court pointed out. Logically, a majority of legislators, after getting elected, cannot turn against or take over the party. The ECI's decision is, therefore, almost certain to be challenged.

For Pawar Sr, it must be painful to see the party he built over 25 years being handed over to his rebellious nephew. The NCP that he built—after splitting from the Indian National Congress in 1999—was a recognised national party, one of six, until last year.

With Ajit Pawar's ambition limited to the state, observers are waiting to see if he can turn the NCP into a national party again. Ajit 'Dada' Pawar's influence does not extend beyond a few pockets, nor does his party have any presence in Vidarbha and Marathwada. As Sharad Pawar's acolyte Jitendra Awhad said, tauntingly, "You are not even known outside the state. Let's see you retain NCP's influence in the 20 other states where Pawarsaheb has a presence."

Ajit Pawar knows only too well that the NCP has always been synonymous with Sharad Pawar. Barely two days before the ECI decision, Ajit told a gathering in Baramati, their home turf, not to be sentimental and vote for his ailing uncle. Most people were not amused, recalling the ailing uncle campaigning through pouring rain in Satara, seat of Chhatrapati Shivaji and his descendant's parliamentary constituency.

In 2019, the old man had taken on the might of the BJP and its candidate's royal lineage to secure victory for a little-known bureaucrat. The backlash forced the nephew to regret his statement.

Slaying the demons of Hindutva?

For years now, Shiv Sena (UBT) president Uddhav Thackeray has been distancing himself from his father Bal Thackeray's extremist Hindutva. Eschewing violence and steadily toning down Balasaheb's shrill rhetoric, Uddhav was ridiculed by Hindutva bigots and failed to convince liberal society.

However, both liberals and minorities were won over by his even-handed dealings as chief minister. During Covid, he banned both Ganpati *aartis* and namaaz on the streets. When the BJP and cousin Raj Thackeray attempted to provoke communal flare-ups during Ramazaan by reciting the Hanuman Chalisa outside mosques, he allowed it 15 minutes before and after the



azaan, 100-metres away from any mosque.

Since then, Uddhav has had a tough time emphasising his conciliatory brand of Hindutva while not going so far as to upset other partners in the Maha Vikas Aghadi alliance. Here's where the BJP unwittingly lent him a hand—by not sending him an invite to the inauguration of the Ram Mandir, until the nth moment.

This released Uddhav from a possible 'dharamsankat'. A no-show would have damaged his political interests. Showing up would have affected his relationship with the I.N.D.I.A. alliance, which had turned down the invitation, en bloc.

Astutely, Uddhav launched his own election campaign on the same day (22 January) from the temple town of Nashik. It is here that Ram, Sita and Lakshman are believed to have broken their journey en route to Lanka following their exile from Ayodhya.

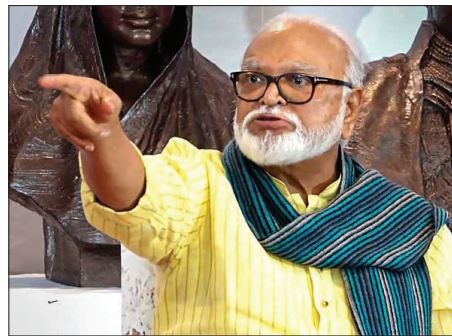
Nashik's Kalaram temple was where B.R. Ambedkar and Sane Guruji, a social reformer of the 1930s, led the agitation against lower castes being denied entry by Brahmin priests. Uddhav's grandfather Prabodhankar Thackeray's incendiary writings supported the campaign.

No less fiery were the grandson's words, as he declared, "We proudly fly our saffron flags, it is you who are tearing them down. Your Hindutva believes in starting fires between religious communities. Our Hindutva is about keeping home fires burning, yours is about burning homes down."

The balancing act that Uddhav Thackeray is attempting between socialism, secularism and Hindutva was apparent in the next leg of his campaign in the Konkan, when he declared he was not Narendra Modi's enemy—it was not he who had abandoned the BJP but the other way round. Lest anyone imagine he was making overtures to Modi, he added that the current regime was rife with *lekshasas*. "If these demons return, we will be left with no Republic at all; and from next year, Republic Day will become Demon Day in the country." Perhaps only a friend turned foe could be so cutting.

Now 'Mughlai' Marathas?

The mishandled Maratha reservation issue has clearly caused a rift in the Maha Yuti alliance ruling the state. The



seriously uncharismatic chief minister Eknath Shinde has been attempting to assert his Maratha identity. In the process of seeking kinship with the 33 per cent Marathas in the state, he may have alienated 52 per cent of the Other Backward Classes (OBCs), who are protesting his decision to give what they describe as "backdoor entry" to Marathas, by issuing them 'Kunbi' certificates (Kunbi being a subset of Marathas, classified as OBC).

Leading this agitation across the state is food and civil supplies minister Chhagan Bhujbal, who has asserted all along that he supports reservation for Marathas, but not if it eats into the OBC quota. With multiple agitations picking up pace, Bhujbal's rebelliousness has provoked Maha Yuti MLAs into telling him he has no business continuing as minister in a government he openly opposes. This triggered a startling revelation from Bhujbal: he had already resigned on 16 November 2023, days before he decided to hit the streets. For fear of opening a wider chasm in an already fissured government, Shinde seems not to have accepted it.

Bhujbal, who has been trying for years to emerge as an OBC leader of consequence, has now been given the opportunity on a golden platter. The element of 'sacrificing' a ministerial post and risking persecution by central agencies—which is why he had joined the government in the first place—is a risk calculated for gain. However, he has stiff competition in Vanchit Bahujan Aghadi leader Prakash Ambedkar, who has been trying to reinvent himself as a leader not just of Dalits but also the larger non-Brahminical community.

Ambedkar added a twist to Bhujbal's spiel. There have always been two kinds of

Marathas, he said, the Nizami Marathas (from the Marathwada region ruled by the Nizam of Hyderabad) and the *ryoti* (farming) Marathas from the rest of the hinterland. While the former were loyal to Mughal emperor Aurangzeb, the latter swore allegiance to Shivaji.

Ambedkar's wrath is directed at the 'Mughlai' Marathas, who betrayed Shivaji's son Sambhaji to Aurangzeb and have always been a rich and privileged community. Why should they seek reservation, asks Ambedkar, when it is the poor underprivileged *ryoti* Marathas who actually need it? No wonder the chief minister is dodging the issue—he can neither swallow the threats nor spit out their bitter residue.



Cry, my beloved Maharashtra!

Kuthe nevun thevala Maharashtra majha (What have you brought my Maharashtra to!)" exclaimed Sharad Pawar as two ruling alliance members indulged in a shoot-out inside a police station in Thane over a land dispute. Echoing the sarcastic BJP slogan against the NCP in 2014 that pointed to the lack of development in the state and corruption in the government, today it does ring true as a cry from the heart. Pointing not only to the destruction of the social fabric of a liberal, lawful state, but also to a government that seems to be overrun by gangsters.

ECONOMIC INCLUSION

Slogans versus the reality

To reduce unpaid labour is the first step towards women’s real participation in the labour market

Indira Hirway

The Union Budget for 2024–25 was significant on two counts: 1) it highlighted the achievements of this government over the past decades and 2) it presented a broad approach to India as a developed country in the event the party is returned to power in the forthcoming elections.

The finance minister started her speech with bombastic claims of a “profound positive transformation of the Indian economy in the last ten years”, with “social inclusivity through coverage of all strata of society” and “geographical inclusivity through the development of all regions in the country”. This too rosy a picture of our economy is factually incorrect on most fronts. For instance, the claim of the Niti Aayog that multidimensional poverty declined during the economic slowdown has been clearly refuted by many experts, who have shown that poverty has, in fact, increased.

The decline in the headcount ratio of poverty claimed by the finance minister is also incorrect, as no consumption expenditure data is available since 2011–12 (you cannot compute the headcount poverty ratio without data on consumption expenditure).

The claim that the increase in women’s participation in the labour market reflects their empowerment is factually incorrect, as this increase is primarily through self-employment, which simply translates as increased vulnerability of women in the Indian economy.

The pandemic was not handled

satisfactorily by the government, beginning with the sudden thoughtless lockdown that compelled thousands of poor helpless migrants to walk hundreds of kilometres to reach their homes, followed by many other missteps, including the severe shortage of oxygen cylinders when they were needed most.

Finally, the performance on the employment front has not been good. A majority of the claims made by the government are thus contested.

The focus of the budget is on the poor; youth, women and farmers, all of which is desirable. However, the details do not reflect this focus. It is important to note that the overall GDP-centric strategy of the government will not automatically help these four sectors.

The poor and the youth, in particular, need an employment-centric strategy that is strongly backed by education and skill-formation. Generation of productive employment on a massive scale is a sure way to reach inclusive growth. With 79 per cent literacy and only about 30–35 per cent of our population educated up to the secondary level, the Indian workforce is just not capable of participating in the mainstream growth process.

Unless there is a quantum jump in the expenditure on (quality) education, the youth and the poor will remain marginalised and excluded. Distributing free food grains to 80 crore people (almost 60 per cent of the population) is charity. Generation of productive employment is a far better alternative.

Neither is the concept of women’s empowerment understood in all its complexity. The root of women’s sub-

ordination lies in patriarchy. Women’s low participation rate overall and inferior status in the labour market arises from the patriarchal division of labour, whereby women are responsible for unpaid domestic work and care of the children, the old, the sick and the disabled in the family. The division of labour at the household level assigns men the role of breadwinners, while women are to be homemakers. Even with hired help, it is the woman of the household who is held responsible for the upkeep of the home.

Consequently, women either do not enter the labour market at all, or they enter it with the additional baggage of domestic responsibility. Thus, gender inequality in the labour market starts right at the entry into the labour market. With lower human capital and restricted mobility in the labour market thanks to patriarchal norms, women’s choices are also gendered. They prefer to work part-time or flexi-time, in safe environments, closer to home. Often, they are found

Unfortunately, the government has not formed any policy to address the real constraints women face

overcrowded in stereotyped low-productivity jobs.

If the government wants women to be truly empowered and also to enter the labour market, they will first have to work towards the reduction of unpaid labour. This can be ensured by improving technology (with fuel-efficient cooking stoves in place of primitive wood-fired stoves, for instance); by providing infrastructural support, such as water supply at their doorstep; by shifting a part of their unpaid work like child care, care of the disabled and the old to mainstream institutions or civil society organisations.

These steps will release women from the burden of unpaid work to a significant extent, reduce their time stress, enable them to acquire new skills and participate in productive work. To bring about gender equality in the labour market, however, the government will also have to take a quantum leap in improving education and skillsets among women.

Unfortunately, the government of

India does not recognise the role of unpaid work and societal norms in women’s subordination, low participation and inferior status in the labour market. It has not formed any policy to address the real constraints that women face.

The government must understand that burdening women belonging to the weaker sections with more work in the labour market without reducing their unpaid work is likely to have an adverse impact on their empowerment.

As regards the strategy for moving India to ‘Viksit Bharat’, continuing on the same growth path will not help to achieve inclusive and all-pervasive development in the country.

‘Sabka Saath’ will happen only when the government cares enough to take everyone along, especially the marginalised sections of our population. ■

INDIRA HIRWAY is professor of economics at the Centre for Development Alternatives, Ahmedabad. Courtesy: The Billion Press

Why the trust deficit in the EVM

In its present form, the EVS is manipulable, making a mockery of the claim that our elections are ‘free and fair’

A.J. Prabal

Even as several thousand protestors assembled at Jantar Mantar in New Delhi on 31 January to demand elections through ballot papers, the Election Commission of India (ECI) amped up its campaign to defend the electronic voting system (EVS).

Four years after questions were raised, the ECI announced on its website that the Control Unit is the ‘master’ and the VVPAT the ‘slave’ in the system. It also sent out an unspecified number of machines to accompany the government’s ‘Viksit Bharat Yatra’ to reassure people that there is nothing wrong with the electronic voting machine (EVM).

EVM vs. EVS

The EVM is not a single machine. It is a combination of three machines, namely, the Ballot Unit (BU), the VVPAT (Voter Verified Paper Audit Trail) unit and a Control Unit (CU). BU is the machine on which voters press the buttons against listed candidates and symbols to register their vote. Since 2019, the EVM is attached to a VVPAT unit which receives the signal from the BU and prints the symbol voted for. It is visible for seven seconds to

enable voters to verify that the intended symbol has been recorded. The signal then travels to the CU which records the vote for counting.

The ECI’s latest clarification claims that the signal travels from the BU to the CU, which transmits the signal to the VVPAT. Voters, however, have no way of verifying what the CU has recorded. Is it possible for the chip or microprocessor in the CU to transmit one signal to the VVPAT but record a different signal for counting? The voter has no way of knowing.

Can the CU and the VVPAT be programmed in such a way that every third or fifth vote cast is recorded in favour of a particular party? Is it possible to manipulate the CU?

The question of trust

Trust is at the heart of any election. The voter must know their ballot is secret and has been recorded and counted as cast. The voter must also be able to verify on

her own, without the help of experts and authorities, the accuracy of the process. Until this last condition is fulfilled, EVMs cannot be used, ruled the German Supreme Court in 2009.

What is more, the voter should be able to cancel their vote ‘without interacting with any authority’ and without any reference to officials in case of doubt.

In India, voters cannot legally complain about VVPATs, electoral rolls etc. If a complaint is lodged, the onus to prove it lies with the voter and a fine of Rs 5,000 is imposed if the charge is unproven. In the absence of any dispute resolution mechanism—a systemic flaw in the Indian system—complaints are almost never made.

“The correct VVPAT protocol would be to allow a voter to approve the VVPAT slip before the vote is finally cast and provide an option to cancel her vote if a discrepancy is noticed. The only way to do so, without trusting machines and buttons, is to allow the voter to obtain the VVPAT slip and cast it in

a box herself,” says S. Banerjee, professor of computer science at Ashoka University and a member of the Citizens’ Commission on Elections (CCE) headed by retired Supreme Court Justice, Madan Lokur.

This system was recommended by the US National Academy of Sciences in 2018, and sought by the I.N.D.I.A. alliance in a memorandum to the ECI last year.

A combination of EVMs and paper ballots are being used in most European countries and the US. While electronic machines verify the identity and eligibility of the voter and eliminate the possibility of duplicate voting, voters collect the ballot papers and check if their vote has been recorded correctly before dropping them in the ballot box. The machines and the ballots are then matched and used in post-poll audits—something that the ECI does not do.

The trust deficit is also due to the government of India’s insistence on knowing the voting pattern at every polling booth, for

‘better administration’. In 2015–16, it rejected a proposal by the ECI to mix votes recorded in 40 or 50 booths before counting.

This, coupled with political party workers telling voters that the ‘gormint’ would come to know who they voted for; adds a fear factor to the equation.

Bharat Electronics Limited

The EVS is assembled by BEL, a public sector company that functions under the ministry of defence, with five full-time directors and two part-time ‘government directors’ nominated by the Union government. Why then does it also have seven additional independent directors nominated by the government, four of whom are associated with the BJP, asked Rajya Sabha MP Digvijaya Singh in Parliament this week.

The BEL website names Shyama Singh, an advocate from Gaya in Bihar; Shiv Nath Yadav, a retired professor of political science from Varanasi; Mansukhbhai Shamjibhai Khachariya, businessman and district BJP president from Rajkot and P.V. Parthasarathi, a dentist from Hyderabad among the ‘independent’ directors.

Disproportionate representation of the ruling party on the BEL board seems suspicious.

Following assembly elections in Madhya Pradesh, Rajasthan and Chhattisgarh late last year, a group of lawyers in the national capital launched a campaign against the EVM. They cited figures revealing a mismatch between ECI’s own figures of votes counted and votes polled in several constituencies. Discrepancies in victory margins led them to allege that EVMs had been manipulated.

A group of Supreme Court lawyers says the 2024 general election must be held with ballot papers. “That is what the law mandates; the ECI must count ballot papers and match [them] with the EVM count,” said advocates Bhanu Pratap Singh, Narendra Mishra and

Mehmood Pracha.

Since the ECI is already printing VVPAT slips, where’s the difficulty in counting them and matching the count with the EVMs? The ECI has opposed this demand in the Supreme Court, pleading time-constraints, arguing that the process could take five to six days. The lawyers are not convinced, since paper ballots were earlier counted in a day-and-a-half.

Election experts warn that manipulating even 10 votes in each polling booth with a thousand voters can lead to a one per cent swing, and that there is a clear and present danger of electoral rolls being manipulated through deletion, addition or coercion.

Lawyers also claim that there are 70 lakh duplicate voters in Uttar Pradesh alone, despite door-to-door revision. With the same voters registered in different constituencies, manipulation of results is eminently possible in a multi-phase election.

Stuffing of votes

One of the reasons for discarding ballot paper was the stuffing of votes in ballot boxes by political party workers or even polling personnel after polling was officially over. Additional reasons for distrust were the sudden surge of votes in the last hour of voting and the ECI revising voting percentage 12 hours or later after voting.

The electronic system is not equipped to prevent stuffing of votes. The only limiting factor embedded in the system is on the number of votes that can be cast per unit of time—12 seconds for one vote. In other words, only five votes can be cast or stuffed every minute. This is a very weak measure, says Banerjee, because as many as 300 votes can still be stuffed into a single machine in an hour.

“There are several techniques to ensure (and prove) that every vote cast is by an eligible voter who has not already cast her vote, but the ECI is either unaware or disinterested,” he concluded. ■

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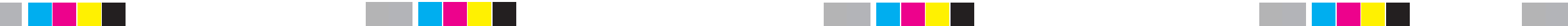


Photo: Getty Images



SMOKESCREEN? Stonewalling all the evidence that the EVS needs reformatting, the Election Commission is running an awareness campaign to show all is well

Photo: Getty Images





Draft biotech policy to propel bio-tech industry of Karnataka to new heights

With an aim to play a pivotal role in retaining the status of Biotechnology capital of India, the Karnataka Government released a draft Biotechnology policy in November 2023.

Karnataka's biotech R&D spent crossed \$ 200 million, a good network of infrastructure, a huge talent pool, third largest GST collection, fifth in terms of ease of doing business and one of the highest FDI in India makes the state's ecosystem perfect for the growth of sector.

India is ranked third in the Asia-Pacific region and among the top 12 biotechnology destinations worldwide. About 3% of the world's biotechnology industry is accounted for by India. The value of Indian Bioeconomy is USD (\$0.12 billion, which registered a 14.1% growth from 2021. Indian Bioeconomy contributes 2.6% of the total GDP share. R&D expenditure in the field of Biotechnology has crossed \$1 Billion, the sector has received \$ 830 million as FDI in 2021.

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Bengaluru, Karnataka's science capital and Asia's fastest growing Technopolis has developed into an ideal base for the Biotechnology industry. Karnataka is home to many renowned educational and research institutes, including the Indian Institutes of Sciences (IISc), National Centre for Biological Sciences (NCBS), Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), Rajiv Gandhi University of Health Sciences, the University of Agriculture Sciences (USA), Institute for stem cell science and regenerative medicines, Central Food Technological Research Institute (CFTRI), Defence Food Research Laboratory, University of Horticulture Sciences and others.

State has built considerable resources and human capital to support biotechnology companies and a multidisciplinary talent pool. The establishment of CHG, IBAB, and IBAT allowed the development of quality manpower in the fields of genetics, molecular biology and biotechnology. The Biotechnology Finishing School (BTFS) – a first-of-its kind initiative in India – was launched in collaboration with the Department of Biotechnology (DBT). Under the renewed plan, the focus would be on driving smart collaboration with the industry to align the skill sets of

Support for Skill Development

The Biotechnology Skill Enhancement Programme (BiSEP), the modified version of the Biotechnology Finishing School (BTFS), aimed to educate and empower human resources to bridge the gap between academia and the biotech industry was started in 2018 in eighteen institutes spread across eight districts of Karnataka.

Out of the 550+ students that enrolled in the programme, 485+ had successfully finished their training, with over 60% of them getting placed in industry.

A Skill Vigyan Centre was established in 2021 at Karnataka Innovation and Technology Society (KITS), with the support of Department of Biotechnology, Ministry of Science & Technology Government of India and under Faculty Training Program (FTP) and Entrepreneurship Development Program (EDP), implemented through seven partner institutes, 125+ teaching faculty and entrepreneurs have been trained in multidisciplinary areas of biotechnology.

A separate Skill Council for Emerging Technologies in Biotechnology has been constituted under the chairmanship of Minister for IT and BT, Government of Karnataka and members drawn both from Industry and academia. The council will provide guidance, policy advisory and specific action-oriented recommendations to bridge the skill gaps in emerging areas of technology.

Promote Startups & Entrepreneurship

The State Government has continued to support the establishment of bio-incubators in different parts of the State under Technology Business Incubator scheme of Startup Policy and Biotechnology Policy.

A total of 1.5 Lakhs plus incubation space has been created in five places viz., Bangalore Bioinnovation Centre, Bengaluru, GoK-Manipal BioIncubator, Mangaluru, Nutra Phytopharmaceuticals Incubation Centre, Mysuru, Institute of Agri Biotechnology, University of Agricultural Sciences, Dharwad and Centre for Biotechnology, University of Horticultural Sciences, Bagalkot. Nearly 250+ bio startups are incubated.

Bio-startups funded under Elevate Idea2PoC scheme

A total of 197 bio-startups have been funded under Elevate Idea2PoC scheme of Karnataka Startup Policy to tune of Rs.50+ crores.

A sum of Rs.32 Crores has been invested in seven potential startups in the field of tissue engineering, nutrition, drug discovery and MedTech under BioVenture Fund (KITVEN – 3).

The combined valuation of these seven companies is estimated at Rs.1500 crores upwards.

The Karnataka government launched the Global Innovation Alliance program in 2017 with the goal of establishing a forum for international cooperation on technology and innovation and making sure the state of Karnataka has a chance to demonstrate its capabilities as part of this global tech revolution. Currently, Karnataka is engaged in ongoing collaboration on projects with over 30+ GIA partners.



R&D to develop life saving anti-venom drugs

Karnataka is working towards addressing key societal issues by collaborating with various government departments to encourage projects that seek to provide solutions made possible by biotechnology.

To strategically shape the future of biotechnology in the areas having wide societal impact and increased bioeconomy, Anti-Venom Research and Development Centre (AVRDC), is being established as a collaborative initiative between KITS, GoK, IBAB and the Evolutionary Venomics Lab, Centre for Ecological Sciences, Indian Institute of Science at Bengaluru Helix Biotech Park. This centre will play a major role in developing advanced snakebite interventions and biodiversity research from venoms, as well as provide various services invaluable for the manufacture of lifesaving anti-venoms.

GROWTH POTENTIAL FOR BIOTECHNOLOGY IN THE STATE

The value of Indian Bioeconomy is \$ 137.2 billion, which registered a 29% growth from 2021. Indian Bioeconomy contributes 4% of the total GDP share. R&D expenditure in the field of Biotechnology has crossed \$ 1 billion, the sector has received over \$ 580 million as FDI in 2022. India has seen a huge surge in new start-ups with 3.8 new startups coming every day, in 2022 India registered 1,391 startups with cumulative number being 6,755.

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IBAB is undertaking two distinct projects by state government synthetic biology group IBAB and Bio IT Centre. The Centre for Human Genomics has provided diagnostic and counselling services to 27,000 families with genetic disorders, the services are free of cost for BPL families.

Karnataka to up its game in AVGC sector with launch of new 5-year- AVGC policy

Karnataka Congress government unveiled the new animation, visual effects, gaming, comics and extended reality (AVGC-XR) policy to guide the growth of the sector until 2029 on January 29, 2024.

With a keen intention to tap into the global Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) industry, which is seeing unprecedented growth in the last few years, becoming an integral part of the broader technological landscape.

As per the latest data, India's IT-BPM sector contributes around 8% to the national GDP, with the state of Karnataka playing a significant role by contributing 25-30% to the state's Gross State Domestic Product (GSDP). This existing technological prowess provides Karnataka with a strategic advantage in embracing and advancing in the AVGC-XR sectors.

Countries like Japan, South Korea, and Singapore have set global benchmarks in the development of AVGC-XR sectors by establishing dedicated centers of excellence, innovation hubs, and facilitating public-private partnerships. Their focus on integrating these sectors into mainstream industries has led to technological advancements that have implications far beyond entertainment—ranging from healthcare and education to real estate and manufacturing.

Taking inspiration from these global best practices, this Policy Document outlines the Government of Karnataka's strategic vision and targeted initiatives for the AVGC-XR sectors.

The global AVGC market presents an expansive field of opportunities, driven by technological advancements and changing consumer behaviors. According to data from India's Ministry of Information and Broadcasting, the market was valued at over \$366 billion.

A closer look reveals that Animation and Visual Effects (VFX) contribute to 46% of the market, whereas Gaming accounts for the remaining 54%. These are not stagnant figures but indicators of dynamic segments that are poised for considerable growth.

The Animation and VFX industry is projected to grow at a CAGR of 10.94% over the next halfdecade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

Unveiling the policy during the Bengaluru GAFEX-2024 held last month (January 31) Chief Minister, Siddaramaiah said that recognising this as a sunrise sector, Karnataka back in 2012 itself launched the first AVGC Policy, which addressed the domestic and global need, as well as educational institutions dedicated to animation, visual effects, and gaming.

"These educational establishments constitute the lion's share of India's 139 institutes across these specialised fields. The state also has Digital Art Centres in 27 Fine Arts colleges catering to 600 students and one AVGC-XR Finishing School," he said while releasing the third 5-year AVGC-XR policy.

The IT and BT minister, Priyank Kharge said that the AVGC-XR Policy Document serves as a blueprint for establishing Karnataka as a global leader in these technologically advanced and creatively rich sectors.

"Through meticulous



planning, strategic alliances, and a focus on sustainable growth and innovation, we are committed to shaping a future where Karnataka not only retains its pole position in the traditional IT-BPM sector but also emerges as a powerhouse in the global AVGC-XR landscape," he said.

In his address, higher education minister, Dr M. C. Sudhakar assured that the state government would consider creativity as an important skill to be incorporated in the state education policy.

Adding further Kharge said "Skilling is the only way to stay abreast with rapidly evolving jobs in the market. Our intention with DAC will always be to bridge the industry-academia gap in the sector. We will ensure more qualified trained facility across all centers. And create new and better opportunities for our students."

The new policy outlines that investment in the AVGC-XR sector has been robust, with financial backing coming from a diverse set of stakeholders including venture capitalists, angel investors, and government bodies. This financial support has fueled R&D initiatives, enabling the development of cutting-edge technologies and techniques. In return, these advancements have made the sector increasingly lucrative, attracting even more investment in a virtuous cycle of growth and innovation, the policy added.

Consumer behavior has also played a pivotal role in the sector's growth. The widespread adoption of smartphones and the popularity of Over-The-Top (OTT) platforms have created a large and growing audience hungry for high-quality, immersive experiences.

This consumer demand has, in turn, exerted pressure on content providers to continually upgrade their game, leading to a cycle of mutual reinforcement that benefits both consumers and producers. In India, the potential for the AVGC-XR sector is especially promising.

The policy also identifies need of establishing Centers of Excellence and innovation hubs across the state with an aim to create a collaborative environment involving academia, the private sector, and governmental agencies. They will serve as focal points for skill development, fostering innovation, and translating research into market-ready

products and services, the policy states.

Additionally, this document lays down a robust policy framework designed to accelerate growth in the AVGC-XR sectors. It includes a range of fiscal incentives, a streamlined regulatory environment, and the development of cutting-edge infrastructure. The objective is to provide a nurturing and enabling setting that allows both startups and established companies to flourish, ensuring that Karnataka becomes a prime destination for investments in these sectors.

According to the policy the Animation & VFX industry is projected to grow at a CAGR of 10.94% over the next half decade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

"Given these trends, financial projections are quite optimistic. Based on current rates, the Animation and VFX segment is expected to reach approximately \$282.3 billion by FY26 and further expand to around \$427.7 billion by FY30. On the other hand, the gaming industry is anticipated to grow to \$314.4 billion by FY26 and escalate to an impressive \$454.3 billion by FY30. This brings the total estimated value of the global AVGC market to about \$596.7 billion by FY26 and a staggering \$882 billion by FY30," the policy claims. With global AVGC market is not only large but also growing at an impressive pace, opening avenues for new entrants and providing existing players with opportunities to expand and innovate.

The increasingly digital nature of global entertainment consumption, coupled with innovations in hardware and software, suggests that the sector is well-positioned for sustained long-term growth. As such, for investors, entrepreneurs, and governments alike, the AVGC sector represents a promising area for focus and investment.

When it comes to the Animation, Visual Effects, Gaming, and Comics (AVGC) sector, India holds a position of untapped potential, currently accounting for less than 1% of the global market. However, a limitation but as an expansive space for growth. Governmental forecasts suggest that with appropriate interventions, India could secure up to 3% of the global market by FY30. This would mean that the Indian

AVGC market could balloon to a sizeable \$26 billion, the policy notes.

The fiscal data elaborates on this potential more concretely. In FY21, the Indian Animation and VFX sector was valued at approximately \$1.13 billion, and the gaming sector stood at about \$1.9 billion. These figures are projected to multiply, reaching around \$4.2 billion for Animation and VFX and approximately \$4.7 billion for gaming by FY26. By FY30, the numbers look even more promising: \$13.1 billion in Animation and VFX, and \$13.3 billion in gaming, aggregating to \$26.4 billion across the AVGC sector, the policy estimates.

In terms of investment and employment, the Indian market is already showing robust dynamics. From 2014 to 2020, Indian gaming startups attracted \$350 million in venture capital funding, and the sector is growing at an impressive CAGR of 22%. The sector's employment statistics further underline its growth potential.

While 180,000 professionals are currently employed in the AVGC sector, projections estimate that another 2 million jobs will be added by 2030. In conclusion, India's AVGC sector is a hotbed of untapped potential.

Karnataka, recognized as India's IT hub, is also carving out a leadership position in the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector.

With a robust 20% share of the Indian Media & Entertainment industry, the state hosts over 300 specialized AVGC studios and has a professional workforce exceeding 15,000, providing a strong base for industry growth.

Karnataka is home to 5 institutes dedicated to animation, 3 for visual effects, and 12 focused on gaming. These educational establishments make up a significant fraction of India's 139 institutes in these specialized fields, creating a fertile training ground for future industry leaders. The state has also setup Digital Art Centres in 27 colleges catering to 400 students and 1 AVGC Finishing School with 842 students trained. The state has not only established India's first AVGC Centre of Excellence, but it has also launched a dedicated AVGC Fund, already investing in two groundbreaking startups. These moves demonstrate Karnataka's commitment to accelerating growth in this sector.

Key challenges faced by AVGC sector

Talent Gap and Skill Development: One of the major challenges facing the AVGC-XR industry in both India and Karnataka is the acute shortage of qualified and skilled professionals. Even though educational institutions have mushroomed, the quality of education in the relevant skills like animation, game design, and visual effects is often sub-par. The curriculum in many of these institutions is outdated and not in sync with the needs of the industry, leading to a significant talent gap.

Lack of Funding and Investment: Funding represents another significant challenge for the sector, especially for startups and smaller enterprises. Although Karnataka has taken a step in the right direction with its dedicated AVGC Fund, such initiatives are far from commonplace in India. The lack of financial backing hampers innovation, scalability, and the ability of these companies to compete globally.

Regulatory Hurdles:

Regulations in India around media and entertainment can often be tricky to navigate and may present challenges, especially for the gaming and extended reality segments. Censorship rules and intellectual property rights are still areas that require significant improvement for the sector to thrive.

Dependency on Outsourced Projects: A large chunk of the revenue for the AVGC-XR sector in India comes from outsourced projects from countries like the USA and UK. This dependency makes the sector vulnerable to economic fluctuations in these countries and can have a cascading impact on the Indian market.

Vision



Global Leadership in Innovation: Strive to make Karnataka a leader in emerging technologies such as AI, AR/VR, and blockchain within the AVGC sector.

Global Talent Hub: Transform Karnataka into a Centre of Excellence for AVGC related skills, attracting students and professionals to Karnataka for education and career development in this sector.

Decentralization: Establish emerging clusters, in addition to Bengaluru, as hubs for AVGC, to distribute economic benefits more evenly across the state.

Sustainability & Inclusion: Incorporate sustainability and inclusivity in the AVGC industry by 2028. Embed ESG (Environmental, Social, Governance) criteria into the AVGC sector's operational ethos.

Intellectual Property Protection: Establish Karnataka as a pioneering state in IPP within the AVGC sector with robust legislative frameworks, cutting-edge technological safeguards to deter piracy, thereby fostering a secure and thriving ecosystem for creators, investors and consumers.

Empowering India's Cultural Legacy: Position India as a global leader in the AVGC sector by harnessing and amplifying the country's rich cultural heritage and developing immersive experiences which authentically represent India's diverse traditions, stories, art forms, elevating them to international acclaim and fostering cultural exchange.

Goals

Company Growth: Facilitate the establishment and growth of at least 200 AVGC companies, including 50 that are particularly innovative or high-profile.

Digital Transformation: By 2028, achieve a 30% reduction in operational efficiencies, a 20% boost in creative output, and a 25% expansion in digital marketing reach in the AVGC sector, enabled by targeted investments in digital infrastructure, skill building programs, and regulatory

reforms.

Education, Training & Employment: Create awareness among youth about the opportunities encompassing both education and employment prospects within the AVGC sector and Create 30,000 new, high-quality jobs in the sector by 2028, with a focus on roles requiring specialized skills in emerging technologies. Partner with 200 or more educational institutions and industry, including MOOC platforms, to train at least 50,000 individuals in AVGC-specific and standardized skills.

Export Growth: Aim for exports to constitute at least 80% of the sector's total revenue, thereby also positively impacting the state's balance of trade.



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In past few years government has invested heavily on infrastructure including establishment of Bangalore Bio cluster, Bangalore Helix Biotechnology Park. Setting up bio-incubators in cities like Bagalkot, Mangalore, Mysuru and Dharwad catering to focused segments of biotechnology. Centre for Cellular and Molecular Platforms (C-CAMP), a DBT initiative located within the campus of the National Centre for Biological Sciences (NCBS) in Bengaluru, has been garnering appreciation right since its inception. DBT has also put in liberal support to another Bengaluru-based biotech startup hub Bangalore Bio innovation Centre (BBC) started by Government of Karnataka.

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Karnataka to up its game in AVGC sector with launch of new 5-year- AVGC policy

Karnataka Congress government unveiled the new animation, visual effects, gaming, comics and extended reality (AVGC-XR) policy to guide the growth of the sector until 2029 on January 29, 2024.

With a keen intention to tap into the global Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) industry, which is seeing unprecedented growth in the last few years, becoming an integral part of the broader technological landscape.

As per the latest data, India's IT-BPM sector contributes around 8% to the national GDP, with the state of Karnataka playing a significant role by contributing 25-30% to the state's Gross State Domestic Product (GSDP). This existing technological prowess provides Karnataka with a strategic advantage in embracing and advancing in the AVGC-XR sectors.

Countries like Japan, South Korea, and Singapore have set global benchmarks in the development of AVGC-XR sectors by establishing dedicated centers of excellence, innovation hubs, and facilitating public-private partnerships. Their focus on integrating these sectors into mainstream industries has led to technological advancements that have implications far beyond entertainment—ranging from healthcare and education to real estate and manufacturing.

Taking inspiration from these global best practices, this Policy Document outlines the Government of Karnataka's strategic vision and targeted initiatives for the AVGC-XR sectors.

The global AVGC market presents an expansive field of opportunities, driven by technological advancements and changing consumer behaviors. According to data from India's Ministry of Information and Broadcasting, the market was valued at over \$366 billion.

A closer look reveals that Animation and Visual Effects (VFX) contribute to 46% of the market, whereas Gaming accounts for the remaining 54%. These are not stagnant figures but indicators of dynamic segments that are poised for considerable growth.

The Animation and VFX industry is projected to grow at a CAGR of 10.94% over the next halfdecade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

Unveiling the policy during the Bengaluru GAFEX-2024 held last month (January 31) Chief Minister, Siddaramaiah said that recognising this as a sunrise sector, Karnataka back in 2012 itself launched the first AVGC Policy, which addressed the domestic and global need, as well as educational institutions dedicated to animation, visual effects, and gaming.

"These educational establishments constitute the lion's share of India's 139 institutes across these specialised fields. The state also has Digital Art Centres in 27 Fine Arts colleges catering to 600 students and one AVGC-XR Finishing School," he said while releasing the policy.

The IT and BT minister, Priyank Kharge said that the AVGC-XR Policy Document serves as a blueprint for establishing Karnataka as a global leader in these technologically advanced and creatively rich sectors.

"Through meticulous



planning, strategic alliances, and a focus on sustainable growth and innovation, we are committed to shaping a future where Karnataka not only retains its pole position in the traditional IT-BPM sector but also emerges as a powerhouse in the global AVGC-XR landscape," he said.

In his address, higher education minister, Dr M. C. Sudhakar assured that the state government would consider creativity as an important skill to be incorporated in the state education policy.

Adding further Kharge said "Skilling is the only way to stay abreast with rapidly evolving jobs in the market. Our intention with DAC will always be to bridge the industry-academia gap in the sector. We will ensure more qualified trained facility across all centers. And create new and better opportunities for our students."

The new policy outlines that investment in the AVGC-XR sector has been robust, with financial backing coming from a diverse set of stakeholders including venture capitalists, angel investors, and government bodies. This financial support has fueled R&D initiatives, enabling the development of cutting-edge technologies and techniques. In return, these advancements have made the sector increasingly lucrative, attracting even more investment in a virtuous cycle of growth and innovation, the policy added.

Consumer behavior has also played a pivotal role in the sector's growth. The widespread adoption of smartphones and the popularity of Over-The-Top (OTT) platforms have created a large and growing audience hungry for high-quality, immersive experiences.

This consumer demand has, in turn, exerted pressure on content providers to continually upgrade their game, leading to a cycle of mutual reinforcement that benefits both consumers and producers. In India, the potential for the AVGC-XR sector is especially promising.

The policy also identifies need of establishing Centers of Excellence and innovation hubs across the state with an aim to create a collaborative environment involving academia, the private sector, and governmental agencies. They will serve as focal points for skill development, fostering innovation, and translating research into market-ready

products and services, the policy states.

Additionally, this document lays down a robust policy framework designed to accelerate growth in the AVGC-XR sectors. It includes a range of fiscal incentives, a streamlined regulatory environment, and the development of cutting-edge infrastructure. The objective is to provide a nurturing and enabling setting that allows both startups and established companies to flourish, ensuring that Karnataka becomes a prime destination for investments in these sectors.

According to the policy the Animation & VFX industry is projected to grow at a CAGR of 10.94% over the next half decade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

"Given these trends, financial projections are equally optimistic. Based on current rates, the Animation and VFX segment is expected to reach approximately \$282.3 billion by FY26 and further expand to around \$427.7 billion by FY30. On the other hand, the gaming industry is anticipated to grow to \$314.4 billion by FY26 and escalate to an impressive \$454.3 billion by FY30. This brings the total estimated value of the global AVGC market to about \$596.7 billion by FY26 and a staggering \$882 billion by FY30," the policy claims. With global AVGC market is not only large but also growing at an impressive pace, opening avenues for new entrants and providing existing players with opportunities to expand and innovate.

The increasingly digital nature of global entertainment consumption, coupled with innovations in hardware and software, suggests that the sector is well-positioned for sustained long-term growth. As such, for investors, entrepreneurs, and governments alike, the AVGC sector represents a promising area for focus and investment.

When it comes to the Animation, Visual Effects, Gaming, and Comics (AVGC) sector, India holds a position of untapped potential, currently accounting for less than 1% of the global market. However, a limitation but as an expansive space for growth. Governmental forecasts suggest that with appropriate interventions, India could secure up to 3% of the global market by FY30. This would mean that the Indian

AVGC market could balloon to a sizeable \$26 billion, the policy notes.

The fiscal data elaborates on this potential more concretely. In FY21, the Indian Animation and VFX sector was valued at approximately \$1.13 billion, and the gaming sector stood at about \$1.9 billion. These figures are projected to multiply, reaching around \$4.2 billion for Animation and VFX and approximately \$4.7 billion for gaming by FY26. By FY30, the numbers look even more promising: \$13.1 billion in Animation and VFX, and \$13.3 billion in gaming, aggregating to \$26.4 billion across the AVGC sector, the policy estimates.

In terms of investment and employment, the Indian market is already showing robust dynamics. From 2014 to 2020, Indian gaming startups attracted \$350 million in venture capital funding, and the sector is growing at an impressive CAGR of 22%. The sector's employment statistics further underline its growth potential.

While 180,000 professionals are currently employed in the AVGC sector, projections estimate that another 2 million jobs will be added by 2030. In conclusion, India's AVGC sector is a hotbed of untapped potential.

Karnataka, recognized as India's IT hub, is also carving out a leadership position in the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector.

With a robust 20% share of the Indian Media & Entertainment industry, the state hosts over 300 specialized AVGC studios and has a professional workforce exceeding 15,000, providing a strong base for industry growth.

Karnataka is home to 5 institutes dedicated to animation, 3 for visual effects, and 12 focused on gaming. These educational establishments make up a significant fraction of India's 139 institutes in these specialized fields, creating a fertile training ground for future industry leaders. The state has also setup Digital Art Centres in 27 colleges catering to 400 students and 1 AVGC Finishing School with 842 students trained. The state has not only established India's first AVGC Centre of Excellence, but it has also launched a dedicated AVGC Fund, already investing in two groundbreaking startups. These moves demonstrate Karnataka's commitment to accelerating growth in this sector.

Key challenges faced by AVGC sector

Talent Gap and Skill Development: One of the major challenges facing the AVGC-XR industry in both India and Karnataka is the acute shortage of qualified and skilled professionals. Even though educational institutions have mushroomed, the quality of education in the relevant skills like animation, game design, and visual effects is often sub-par. The curriculum in many of these institutions is outdated and not in sync with the needs of the industry, leading to a significant talent gap.

Lack of Funding and Investment: Funding represents another significant challenge for the sector, especially for startups and smaller enterprises. Although Karnataka has taken a step in the right direction with its dedicated AVGC Fund, such initiatives are far from commonplace in India. The lack of financial backing hampers innovation, scalability, and the ability of these companies to compete globally.



Regulatory Hurdles: Regulations in India around media and entertainment can often be tricky to navigate and may present challenges, especially for the gaming and extended reality segments. Censorship rules and intellectual property rights are still areas that require significant improvement for the sector to thrive.

Dependency on Outsourced Projects: A large chunk of the revenue for the AVGC-XR sector in India comes from outsourced projects from countries like the USA and UK. This dependency makes the sector vulnerable to economic fluctuations in these countries and can have a cascading impact on the Indian market.

Vision



Global Leadership in Innovation: Strive to make Karnataka a leader in emerging technologies such as AI, AR/VR, and blockchain within the AVGC sector.

Global Talent Hub: Transform Karnataka into a Centre of Excellence for AVGC related skills, attracting students and professionals to Karnataka for education and career development in this sector.

Decentralization: Establish emerging clusters, in addition to Bengaluru, as hubs for AVGC, to distribute economic benefits more evenly across the state.

Sustainability & Inclusion: Incorporate sustainability and inclusivity in the AVGC industry by 2028. Embed ESG (Environmental, Social, Governance) criteria into the AVGC sector's operational ethos.

Intellectual Property Protection: Establish Karnataka as a pioneering state in IPP within the AVGC sector with robust legislative frameworks, cutting-edge technological safeguards to deter piracy, thereby fostering a secure and thriving ecosystem for creators, investors and consumers.

Empowering India's Cultural Legacy: Position India as a global leader in the AVGC sector by harnessing and amplifying the country's rich cultural heritage and developing immersive experiences which authentically represent India's diverse traditions, stories, art forms, elevating them to international acclaim and fostering cultural exchange.

Goals

Company Growth: Facilitate the establishment and growth of at least 200 AVGC companies, including 50 that are particularly innovative or high-profile.

Digital Transformation: By 2028, achieve a 30% reduction in operational efficiencies, a 20% boost in creative output, and a 25% expansion in digital marketing reach in the AVGC sector, enabled by targeted investments in digital infrastructure, skill building programs, and regulatory

reforms.

Education, Training & Employment: Create awareness among youth about the opportunities encompassing both education and employment prospects within the AVGC sector and Create 30,000 new, high-quality jobs in the sector by 2028, with a focus on roles requiring specialized skills in emerging technologies. Partner with 200 or more educational institutions and industry, including MOOC platforms, to train at least 50,000 individuals in AVGC-specific and standardized skills.

Export Growth: Aim for exports to constitute at least 80% of the sector's total revenue, thereby also positively impacting the state's balance of trade.



A death knell for Shimla

In hiding behind a technicality, the Supreme Court has done immeasurable damage, argues **Avay Shukla**

When the epitaph of Shimla is written in the not too distant future, as is inevitable, it will be recorded that its death warrant was issued on 11 January 2024, when the Supreme Court gave the green signal to the Shimla Development Plan 41 (SDP41). The apex court chose to go by legal technicalities and assurances given by the Himachal government (then ruled by the BJP) rather than on the merits of the case, ignoring in the process both ground realities and the opinions of any number of experts and environmentalists. Some background first to put the matter in perspective.

In November 2017, acting on a PIL (public interest litigation) by a concerned citizen regarding the rapidly deteriorating environmental conditions in Shimla, the National Green Tribunal (NGT) had imposed severe restrictions on future construction in the city, including a ban on any new construction in the vital core and heritage zones and in the 17 thickly forested Green Belts; it restricted buildings in the Belts to the town to two-and-a-half storeys.

It did so on the evidence of rampant violations of the town's Interim Development Plan, destruction of green cover, the seismic vulnerability of the city, unrestrained building activity on steep slopes, the risks to citizens, and the government's repeatedly demonstrated inability/ unwillingness to control these activities.

The state government filed an appeal in the HP High Court, but it did not get a stay on the NGT's order. Environmentalists and older residents of Shimla heaved a sigh of relief, hoping that now at least this once-lovely town had been given a chance to recover from the shortsighted 'development' inflicted on it over decades.

But these hopes were dashed when the government suddenly published a draft of a new Shimla Development Plan 41 (SDP41) in June 2022. This document, probably the most suicidal decree by any government in the past 40 years, overturned every direction of the NGT and practically threw it in the wastebin. Purportedly a blueprint for Shimla for 2041, it provided for, in brief:

- Tripling the population of Shimla to 700,000 by 2040
- Opening for construction the 17 Green Belts, consisting of 400 hectares of the only remaining green cover in the town
- Permitting construction in the Core and Heritage zones
- Allowing buildings up to five storeys in the remaining zones, in place of the existing 2.5+1
- A vision of going 'vertical' in pursuit of its expansion plan

This blueprint failed to take into account, or deliberately ignored, the seismic vulnerability of the city, its depleted green cover, the lack of space or open areas, the

geographical limitations on building more roads, the lack of parking space, and the effect of the increased traffic volume that any expansion would entail, the existing constraints in ensuring supply of basic needs like power, water and garbage disposal systems.

The draft SDP41 was immediately challenged by one Ms Minocha in the NGT as violating the NGT order of 2017, which struck it down. The state government predictably filed another appeal, this time in the Supreme Court, which first allowed the state to notify the SDP but not implement it for one month (does this make any sense?) and, finally on 11 January 2024, set aside both the NGT orders and declared the Plan legally valid.

It did so, not on merit (which the NGT had considered at length) but on a technicality and a brief, prima facie overview of the SDP, supported by platitudes that sound lofty but are not convincing. It did not go into a detailed examination of the points made by either the petitioners or the NGT.

For instance, the Court held that the NGT had, *in usurping legislative functions by blocking the SDP, indulged in judicial overreach and ignored the doctrine of separation of powers* (for brevity, the italicised text paraphrases the SC verdict). This ad hominem argument evades the real issue and seeks to hide behind a thicket of legalese. The NGT is a statutory body tasked with protecting the natural environment and enforcing the rights of citizens to a healthy, unpolluted, safe life. These rights are, in fact, an extension of the fundamental right to life, as the SC itself has stated on many occasions. What I am stressing here is that judicial interpretation should keep in mind the merits of a case and the public cause, which has not been done in this case.

The Court held, again to paraphrase, that *statutory plans, once formulated, should not be altered by judicial bodies unless there is a constitutional basis to question their constitutionality or legality*. Fact: SDP41 was a blatant violation of the NGT order of 2017, which had not been stayed by any higher court. Therefore, the Plan was certainly invalid legally, if not a contempt of the court itself.

The Court also emphasised *the need to balance development with environmental protection*. This is pure lip-service platitude that exposes the court's unwillingness to examine the merits of the case. It is astonishing how the Supreme Court simply ignored the mountain of evidence that proves that the SDP shall only make a bad situation worse for Shimla.

A recent SDMA (State Disaster Management Authority) report notes that landslides in HP have gone up three times in just the past three years and are attributable to over-construction and inadequate drainage.

The report of an expert committee appointed by the NGT in 2017, consisting of technical experts from the NDMA, MoEF,



The ravaged slopes of Shimla—a sign of worse to come

NEERI, Wadia Institute, among others, had observed/ recommended, inter alia:

- Shimla is in seismic zone IV; 85 per cent of its area lies in landslide-prone areas; most construction is on unstable slopes of 45° to 75°; only 20 per cent buildings meet the standards of earthquake-proof construction
- Shimla exceeded its carrying capacity long ago and needs to be decongested
- No construction should be allowed in the Green Belts, Core and Heritage areas and more areas should be brought under the No Construction restriction
- The existing 17 Green Belts should be expanded and more area brought under forest cover

To these recommendations one must add:

- Shimla has no capacity to absorb any more vehicular traffic—it has about 100,000 vehicles of its own and 10,000–20,000 enter it every day in tourist season
- There are 17,000 illegal buildings in town, almost all of which the new SDP will regularise

- The town's majestic deodars are dying of vehicular pollution, construction dust and other anthropogenic activity. Hundreds are felled every year on some pretext or other, but mainly to make way for more buildings and/ or roads. Without these trees, Shimla will just be seven huge rocks.
- If any more proof was needed, the rains of 2023 provided it.

Surely this indisputable mass of evidence should have persuaded the apex court to not stand on technicalities, and see the massive potential for disaster the SDP41 contains.

Larger public interest demanded further interrogation, and, while staying the SDP41, the court could have remanded the matter to the high court for a more detailed examination on merits.

Its death is disappointing to say the least and a death warrant for Shimla and its residents. This once-beautiful, historic town certainly deserved better. ■

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An expert committee appointed by the NGT in 2017 observed that Shimla had exceeded its carrying capacity long ago and needed to be decongested

Revealing their true colours

What Jana Sangh manifestos tell us about the current-day policies of the BJP

Aakar Patel

On its website, the BJP says, 'The philosophy of Integral Humanism looks at the individual not merely as a material object but one who has a spiritual dimension. It talks of integral approach to economic development that has individual at its core that is linked to the family, the society and the nation.'

What do these words mean? What does a government and political party have to do with the 'spiritual dimension' and, even if there is a link, how can this spiritual dimension be leveraged by the state? How are

these words reflected in the BJP's manifesto or in the BJP's budgets through actionable policies? If they are, in what way are they missing from the policies of other parties?

Let us have a look at the manifestos of the BJP/ Jana Sangh, which were published by the party a few years ago. It may surprise readers to know that there is little or no continuity in the way that the party thinks; in fact, on critical issues, it has reversed its position with no explanation.

In its 1954 manifesto, and again in 1971, the Jana Sangh resolved to limit the maximum income of all Indian citizens to Rs 2,000 per month and the minimum to Rs 100, maintaining a 20:1 ratio. It would

continue working on reducing this gap till it reached 10:1 which was the ideal ratio; the income of all Indians, based on their position, would have to be within this range. Additional income earned by individuals over this limit would be appropriated by the State for development needs 'through contribution, taxation, compulsory loans and investment'.

The party would also limit the size of residential houses in cities and not allow plots of more than 1,000 square yards i.e. 9,000 square feet (someone should tell the Ambanis and Adanis this). Tractors were to be used 'only to break virgin soil. Their use for normal ploughing purposes will be

discouraged'. This was, of course, because the party was trying to protect the bull and the ox from slaughter. In its 1951 manifesto, prohibition of cow slaughter was explained as something needed 'to make the cow an economic unit of agricultural life'. In 1954, the text was more religious and called cow protection a 'pious duty'.

The party that champions a uniform civil code today has consistently opposed divorce and nuclear families. Its 1957 and 1958 manifestos state that 'joint family and indissoluble marriage have been the basis of Hindu society. Laws that alter this basis will ultimately lead to the disintegration of society. Jana Sangh will therefore repeal the Hindu Marriage and Hindu Succession Acts'.

Its 1973 analysis of caste violence reveals that 'in most cases the conflict is not between Harijans and caste Hindus as such, but it is between Harijans and a set of people who are in power and who also happen to belong to upper castes'. Meaning that caste itself was not the source of the conflict.

Culturally, the party stood firmly against alcohol and sought nationwide prohibition. It wanted English to be replaced in all spheres by local languages, chiefly Hindi.

Most interestingly, the Jana Sangh said it would also repeal preventive detention laws like the Unlawful (Activities) Prevention Act (UAPA) which (it said) were in absolute contradiction to individual liberty. This promise was made repeatedly in the 1950s.

However, by 1967, it began to qualify the mandate, saying that 'care will be taken to ensure that fifth columnists and disruptionist (sic) elements are not allowed to exploit fundamental rights'. Over time, the Sangh and the BJP would become the most enthusiastic supporters of preventive detention.

In 1954, the party said it would repeal the

first amendment to the Constitution that curbed freedom of speech by imposing 'reasonable restrictions'. The list of what was seen as 'reasonable restrictions' was so expansive, it essentially took away freedom of expression. However, after 1954, the Jana Sangh's demand that the first amendment be repealed and freedom of speech, association and assembly be restored to Indians disappeared from its manifestos, again without explanation.

According to the BJP constitution, Integral Humanism is the party's 'basic philosophy'. It opposes the idea of linguistic states by saying (in Lecture 3, 24 April 1965): 'the first para of the Constitution 'India that is Bharat will be a Federation of States', i.e., Bihar Mata, Banga Mata, Punjab Mata, Kannada Mata, Tamil Mata, are all put together to make Bharatmata. This is ridiculous. We have thought of the provinces as limbs of Bharat Mata and not as individual mothers. Therefore, our Constitution should be Unitary instead of Federal'.

When was the last time we heard the BJP push for this?

The Jana Sangh was unable to express its majoritarianism as clearly and vociferously as the BJP was later able to. This was because it lacked a specific programme to mobilise anti-Muslim sentiment, such as the campaign against the Babri Masjid.

Even though the idols were snuggled into the mosque a few months before the Jana Sangh was formed, there was no reference to Ayodhya or a Ram temple in any of the Jana Sangh manifestos from 1951 to 1980.

Once power was secured, everything that the Jana Sangh claimed it stood for over the decades, including its manifestos and its 'basic philosophy', was cast aside. ■

Views are personal





BHARAT JODO NYAY YATRA

NYAY KA HAQ MILNE TAK



BEST WISHES TO
RAHUL GANDHI JI
BHARAT JODO NAYAY YATRA



A. REVANTH REDDY
Chief Minister, Telangana
President, TPCC



MALLU BHATTI VIKRAMARKA
Deputy CM, Telangana

‘No one can craft a jutti like I do’



Photos: Naveen Macro



(Left) Hansraj at work; (above) the beautiful embroidered juttis made by him

Sanskriti Talwar and Naveen Macro

Hansraj tightens his grip on the coarse cotton thread. Using a sharp steel needle to guide it, the veteran shoemaker pierces the tough leather, skillfully moving the needle in and out roughly 400 times to hand-stitch a pair of Punjabi juttis (closed shoes). As he does so, his heavy sighs followed by ‘hmms’ punctuate the silence.

In the village of Rupana in Sri Muktsar Sahib district of Punjab, Hansraj is the only artisan who makes these shoes the traditional way. “Most people are unaware how a Punjabi jutti is made and who crafts it. There is a common misconception that machines make it. But from preparation to stitching, everything is done by hand,” says the 63-year-old artisan who has been in the business for nearly half a century now.

“Wherever you go, Muktsar, Malout, Gidderbaha or Patiala, no one can meticulously craft a jutti like I do,” Hansraj claims.

Every day, starting at 7 a.m., he sits on a cotton mattress on the floor near the entrance of his rented workshop. The walls are covered with a collection of Punjabi juttis for both men and women. A pair can be priced between Rs 400 and Rs 1,600. He says he earns about Rs 10,000 a month from this, with an average workday of 12 hours.

“The body aches, especially the legs,” Hansraj says, massaging his knee joints. Hansraj learnt the craft when he was around 15, he was tutored by his father. “I was more interested in exploring the outdoors. Some days I would sit down to learn, some days I would not.” But as he grew up and the pressure to work increased, so did the hours of being seated.

Speaking in a mix of Punjabi and Hindi he says, “This work needs *bariki* (precision).” Hansraj

has been working without glasses for years, but now, he says, he has started noticing changes in his eyesight. “If I work for many hours, my eyes feel the strain. I see two of everything.”

During a regular workday, he drinks tea and listens to the news, songs and cricket commentary on his radio. Old Hindi and Punjabi songs are his favourite.

Hansraj has never been to school, but finds great joy in exploring new places beyond his village, especially with his friend, a holy man in the neighbouring village. “Every year we take a trip. He has his own car, and he often invites me to join him on his travels.”

It is well past 4 p.m., and Rupana village is bathed in the warm glow of a lingering mid-November sun. One of Hansraj’s loyal customers has arrived with a friend to pick up a pair of Punjabi juttis. “Could you also make a pair for him by tomorrow?” the customer asks. The friend has come from far away—Tohana in Haryana—175 kilometres from here.

Hansraj smiles, responding to the customer’s request with a friendly, “*Yaar*, it is not possible by tomorrow.” The customer, however, is persistent. He then turns to us saying, “There are thousands of jutti shops in the city. But here in Rupana, it is only he (Hansraj) who crafts them by hand. We are familiar with his work.”

The customer tells us that up until Diwali, the entire shop was filled with juttis. A month later in November, only 14 pairs remain. What makes Hansraj’s juttis so special? “The ones he makes are flatter in the middle,” the customer says, “The difference lies in the hands [of the craftsperson].”

Hansraj doesn’t work alone. He gets some of the juttis stitched by Santram, a skilled shoemaker in his native village, Khunan Khurd, 12 kms away. During Diwali or the paddy season, when the demand is high, he outsources his work, paying Rs 80 for stitching a pair.

The master shoemaker tells us the difference between craftsman and a workman: “I always start by stitching the *panna* (upper portion)

of the jutti from the tip of the sole. This is the most challenging phase of crafting juttis. The person who manages to do this right is a *mistri* (craftsman), others are not.”

“Initially, I was not good at stitching shoes with thread,” Hansraj recalls. “But when I committed to learning it, I mastered it in two months. The rest I picked up over time, first by asking my father, and later by observing him,” he adds.

Over the years, he has innovated a technique of stitching small strips of leather on both sides of the jutti, seamlessly connecting all the joints. “These small strips add strength to the shoes,” he explains.

Hansraj and his family of four—his wife Veerpal Kaur, their two sons and a daughter—relocated from Khunan Khurd to Rupana some 18 years ago. At that time, their eldest son, who is 36 now, began working at the paper mill in the village here.

“It was mostly [Dalit] families who made juttis in Khunan Khurd, working from their homes. As time

passed, the new generation didn’t learn the craft. And those who knew, passed away,” says Hansraj. Today, in his old village, only three craftsmen—all from his community of Ramdasi Chamars (listed as Scheduled Caste in the state)—are still engaged in the art of handcrafting Punjabi juttis while Hansraj is the only one in Rupana.

“We saw no future for our children in Khunan Khurd, so we sold our property there and bought one here,” Veerpal Kaur says, her voice a mix of determination and hope. She speaks fluent Hindi, a result of the diversity in the neighbourhood which is populated by migrants from Uttar Pradesh and Bihar, many of whom work in the paper mill and live in rented rooms in the vicinity.

“When I started, a pair only cost Rs 30. Now a fully embroidered jutti can cost over Rs 2,500,” Hansraj recounts. From the small and large scattered pieces of leather at his workshop, Hansraj shows us two kinds: cowhide and buffalo hide. The buffalo hide is used for the sole, and the cowhide is for the upper half of the shoes, he explains.

As he holds up the tanned cowhide, he asks if we are comfortable touching the animal skin. When we express our willingness, he goes on to observe not just the tanned leather but the contrast. The buffalo hide feels as thick as 80 paper sheets stacked together. The cowhide, on the other hand, is much thinner, maybe around 10 paper sheets. In terms of texture, the buffalo hide has a smoother and stiffer feel, while the cowhide, though slightly rougher, exhibits greater flexibility and ease of bending.

The hike in leather prices and people’s inclination towards factory-produced shoes and slippers (what he calls “boot-chappal”) has led to a fall in the number of people willing to take up this profession.

Hansraj treats his tools with great care. For shaping the jutti he uses a *lampi* (cutter) to carve and scrape the leather; a *morga* (wooden hammer) for beating it until it is stiff. The wooden hammer belonged to his father as did a deer horn which he uses to shape the tip of the shoes from inside.

The shoemaker travels to the shoe market in Jalandhar, 170 kms away from his village, to buy tanned hides. To reach the *mandi* (wholesale market), he takes a bus to Moga and another from Moga to Jalandhar. His most recent journey took place two months before Diwali when he bought 150 kg of tanned leather, valued at Rs 20,000.

Has he ever faced any trouble carrying the leather, we ask him. “The concern is more about

transporting untanned leather than the tanned one,” he clarifies. He visits the *mandi* to carefully choose the desired quality of leather, and the traders arrange for its transportation to Muktsar, from where he collects it.

Over the years, the material for making juttis has evolved and younger shoemakers like Raj Kumar and Mahinder Kumar of the Guru Ravidas colony in Malout say that materials like rexine and micro cellular sheets are now more commonly used. Raj and Mahinder, both in their early 40s, belong to the Dalit Jatav community.

“Where a micro sheet cost Rs 130 per kg, the cowhide now costs between Rs 160 and Rs 200 per kg,” says Mahinder. They say leather has become a rare commodity in the area. “Earlier, the colony was full of tanneries and the stench of untanned leather hung in the air. But as the *basti* grew, the tanneries were shut down,” says Raj.

Youngsters are no longer keen on joining the profession, they add, and low income is not the only reason. “The stench gets into our clothes,” Mahinder says, and sometimes their friends won’t shake hands with them.

“My sons never entered the shop to learn the craft. Ours is the last generation now to know the skill,” says Hansraj. As she chops vegetables for dinner, Veerpal Kaur says, “It isn’t possible to build a home by just making juttis.” Almost two years ago, the family completed the construction of a pucca house, facilitated by their eldest son’s employee loan from the paper mill.

“I had also asked her to learn embroidery, but she didn’t learn it all,” Hansraj says, teasing his wife. The two have been together for 38 years. “I wasn’t interested,” Veerpal chimes back. Based on what she learnt from her mother-in-law, she can embroider a pair in an hour at home with *zari* thread.

Their home, shared with their eldest son’s family of three, comprises two rooms, a kitchen, and a drawing room, with an outdoor toilet. Adorning the rooms and hall are photos of B.R. Ambedkar and Sant Ravidas. A similar image of the saint graces Hansraj’s workshop.

“It is in the last 10–15 years that people have started wearing juttis again,” Veerpal says. “Before that, many had also stopped asking for us shoemakers.” During that time, Hansraj worked as a farm labourer and occasionally crafted juttis within a day or two whenever a customer came by. ■

Courtesy: People’s Archive of Rural India (PARI). The full version of this article can be read at ruralindiaonline.org



(Clockwise from above) The handtools used in making the juttis; leather being embroidered; different kinds of dyed hides



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A DEATH KNELL FOR SHIMLA

How SDP41 will inflict irreversible damage

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Why the South is Angry

Both in terms of their share of tax revenues and popular representation, India's southern states are battling systemic discrimination



On 7–8 Feb, Delhi saw the southern states protest against the Centre's fiscal policies. (Left) The Karnataka contingent, featuring CM Siddaramaiah and deputy CM D.K. Shivakumar; (right) the Kerala march led by CM Pinarayi Vijayan

Suresh Dharur

Is Gujarat a beggar state? Are we beggars? People of Gujarat send Rs 60,000 crore and what comes back?" scoffed the then chief minister Narendra Modi in December 2012. Come February 2024, Prime Minister Narendra Modi is scoffing again. This time his barbs are aimed at the Opposition for sowing seeds of disunity and at the southern states for demanding a higher share of taxes from the Centre. 'PM Modi is the political opposite of CM Modi,' jibed former Tamil Nadu finance minister Palanivel Thiaga Rajan.

The provocation was a day-long fast led by Karnataka chief minister Siddaramaiah and deputy chief minister D.K. Shivakumar. All the MPs and MLAs from the state gathered at Jantar Mantar in Delhi on 7 February.

BJP MP from South Bengaluru Tejasvi Surya took to X to prove that, in absolute terms, the devolution of taxes to Karnataka in the 10 years since 2014 was two-and-a-half times more than in the previous decade (2004–2014). What he failed to mention was the surge in tax collection and correspondingly higher taxes contributed by the state during this decade.

"Around 4.5 lakh crore rupees will be Karnataka's contribution to central taxes this year," said Karnataka minister Ramalinga Reddy, but, according to the formula laid down by the 15th Finance Commission, "only Rs 50,000 crore will come back to the state from the central government".

Not just Karnataka, the share of all five southern states has declined since 2020.

"States contribute to the Union so that we can all grow. But the Union also has equal responsibilities towards every state. What would PM Narendra Modi say to CM Modi on the funds due to states?" tweeted Congress general secretary K.C. Venugopal.

What triggered the outrage was a table in the interim budget that indicated that this year Uttar Pradesh will receive a larger share of central taxes than all the southern states combined. On what grounds? Yes, UP is the largest state with a higher population but as per the 2011 census, the total population of the five southern states (240 million) was higher than the population of UP (199.8 million). The southern states are more efficient and have scored better on birth control and social indices. Why, then, are they being punished?

The BJP sneered at the comparisons and accused the Congress government in Karnataka of seeking an alibi for its inability to fund pre-election freebies as promised.

"For the last 30 years, tax devolution is increasing for the northern states and decreasing for South India. While we do not grudge paying for the development of the northern states, two issues need to be addressed. How long will the South sacrifice and why are the northern states unable to develop despite hand-holding and a higher share in taxes? Where is the money being spent?" asked Thiaga Rajan, at a panel discussion.

The controversy stoked strong feelings, with outline maps of the 'United States of

South India' trending on social media. A sardonic post with a picture of bike riders read, 'On our way to study and work hard, so that we can contribute more taxes to Bihar and Uttar Pradesh so that they can raise their children and send them to Bengaluru to work.' #SouthTaxMovement became the trending hashtag on micro blogging site X.

States losing financial autonomy

Historically, the South has been subsidising the North, points out Siddaramaiah. "For every one rupee of tax contributed by Uttar Pradesh, it received Rs 1.79 from the Centre as devolution, Bihar as much as Rs 7.06 while Karnataka receives just 47 paise," he claimed. Similarly, for every rupee that Telangana contributes to the Centre by way of direct taxes, it gets back 43 paise, Andhra Pradesh 49 paise and Tamil Nadu 29 paise.

Protests are spiralling in the South, with even Andhra Pradesh chief minister Y.S. Jagan Mohan Reddy, deemed to be close to the BJP, speaking up. Making a power point presentation at the assembly on 6 February, Reddy claimed, "When the 13th Finance Commission recommended devolution of 32 per cent of central taxes to states for the 2010–2015 period, the states received, on an average, only 28 per cent of the central taxes. The 14th Finance Commission recommended a devolution of 42 per cent for the period (2015–20) but the states received only 35 per cent on an average. The 15th Finance Commission recommended 41 per cent devolution for the period 2020–2025, but states are receiving an average of 31.5 per cent".

Ironically, Modi advocated devolution of 50 per cent to the states when he was chief minister of Gujarat. Last month, the Reporters' Collective quoted Niti Aayog CEO B.V.R. Subrahmanyam as saying that PM Modi, in early 2015, had wanted the devolution to be pegged at 33 per cent, against the Commission's recommendation of 42 per cent. The chairman, former RBI governor Y.V. Reddy, refused to budge, following which

Central cesses and surcharges, which are not part of the divisible pool of tax revenues and hence exclude the states, have grown alarmingly—from 8.6% in 2010–11 to 28% in 2021–22

Modi typically took the credit for being generous to the states by increasing the devolution from 32 to 42 per cent.

The 15th Finance Commission calculated the state's share in the divisible pool of taxes based on each state's needs (population, area, forest and ecology), equity (per capita income difference) and performance (own tax revenue and lower fertility rate). The weightage assigned to needs was 40 per cent, equity 45 per cent and performance 15 per cent. This formula meant that Uttar Pradesh and Bihar got 17.9 per cent and 10 per cent, respectively. Karnataka, Kerala and Tamil Nadu got 3.65 per cent, 1.93 per cent and 4.08 per cent, respectively. Though introduction of the fertility rate in the formula was meant to reward states which had reduced fertility levels, the weightage given to the category is relatively lower than equity and need.

The Union government has since begun to rely on imposing cesses and surcharges, which are not part of the divisible pool. The share of central cesses and surcharges in gross tax revenue has risen steadily. From 10.4 per cent in FY12, their share climbed to 11.4 per cent in FY18 and 20 per cent by FY21. While the surge in cess/ surcharge revenue—

largely through duties on fuel—has swelled the Union government's coffers, it has also shrunk the divisible pool of resources.

The 15th Finance Commission had also highlighted what was problematic about the growing share of cesses and surcharges in Union revenues. A report by Emkay Global Financial Services suggested that the way to increase devolution to the states would be to bring cess-and-surcharges collections into a divisible pool.

"By this inclusion, the states will get a bigger pie of devolution from the Centre's net proceeds to meet their expenditure commitments," the report had said.

The Goods and Services Tax (GST) introduced in 2017 increased the states' reliance on the Union government for funds. "Once GST came into effect, everything was centralised. Now state governments hardly have any flexibility when it comes to taxation," said Kannada activist Ganesh Chetan.

"We have been demanding that the shareable portion of GST be changed from the current 50:50 ratio to 60:40 in favour of the states," said Kerala finance minister K.N. Balagopal.

Tara Krishnaswamy, co-founder of the non-partisan NGO Political Shakti, told *The South First* that the imbalance worsened with the 15th Finance Commission utilising population as a crucial factor in determining devolution. "This decision favoured the more populous northern states that struggle to implement family planning, while penalising states such as Tamil Nadu and Karnataka with lower fertility rates," she explained.

By shifting the base year for determining expenditure needs from 1971 to 2011 population figures, the 15th Finance Commission introduced a change that "favoured the states which neglected birth control and family planning," said analyst and author K. Ramesh Babu.

New challenges

Meanwhile, the 16th Finance Commission, which has already been formed and will sub-

mit its recommendation towards the end of 2025, must re-prioritise the devolution formula from redistribution to incentivising growth, instead of punishing the 'performing states' which include Maharashtra and other states as well.

"In view of the inordinate rise in fiscal imbalances, the Commission also needs to re-examine the union government's 2018 Fiscal Responsibility and Budget Management Act," says D.K. Srivastava, chief policy advisor, Ernst & Young India. Also, the performance-based incentives suggested by the Finance Commission would actually end up robbing the states of their freedom to make independent decisions.

"Any conditions on the states' ability to borrow will have an adverse effect on the spending by the states, particularly on development. This will surely undermine the spirit of cooperative federalism," said economist A. Srinivasa Rao. Moreover, it does not hold the Union government accountable for its own fiscal prudence and dilutes the joint responsibility that the Union and states have.

Political fault lines

A forum of southern states has been proposed, to fight for equitable distribution of resources from the Centre, including tax share from the divisible pool. "An economic alliance of southern states is already on the table for discussion, and stakeholders want Karnataka to take the initiative," said Basavaraj Rayareddy, economic advisor to Karnataka.


The southern states need a powerful platform from since their voices are not being heard, he said, while pointing out that the northern states have much higher political representation in Parliament by virtue of their higher population. The delimitation exercise, put on hold till 2026, is expected to further skew the position.

N. Jayaprakash Narayan, former bureaucrat and founder of Lok Satta, an NGO working in the area of democratic and electoral reforms, strikes a different note. "India is a diverse country with glaring regional inequalities within a given state. There are historical reasons for this, as well as policy mistakes made in the past. In the interest of the country's unity and common market, India must be treated as one unit and allocation of resources should be need-based," he argues.

The overwhelming sentiment in the South, however, is that the threat to federalism has never been as serious as it is now with the Centre systematically usurping the rights of the states and taking unilateral decisions.


Separate protests in the national capital by Karnataka Congress legislators and MPs, CPI(M) leaders from Kerala, DMK leaders from Tamil Nadu and West Bengal chief minister Mamata Banerjee in Kolkata indicate the growing frustration of states at losing their 'tax autonomy' to the Centre.

"After delimitation of the constituencies, the South will lose out further in terms of the number of Lok Sabha seats. This is also adding to a sense of betrayal," says political analyst and former MLC Prof K. Nageswar. ■



For every rupee of tax contributed by UP, it receives Rs 1.79 from the Centre as devolution, Bihar as much as Rs 7.06 while Karnataka receives just 47 paise.

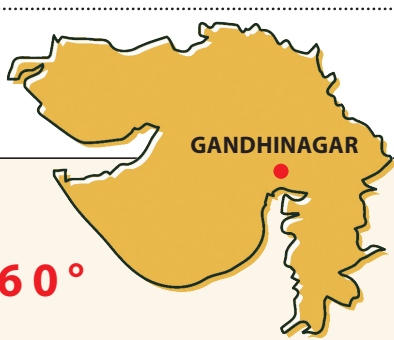
SIDDARAMAIAH
Chief minister, Karnataka



For the past 30 years, tax devolution has been increasing for the northern states and decreasing for South India. Why are the northern states unable to develop despite hand-holding?

P. THIAGA RAJAN
Former finance minister of Tamil Nadu

STATES 360°



GUJARAT

GIFT City, ghost towns and grey geese



Sujata Anandan

One of the largest diamond companies in India, Kiran Gems, the first and practically the only operator at the Surat Diamond Bourse (SDB) which opened with fanfare in November 2023, has shut shop and moved back to Mumbai with 15 truckloads of gems and jewels.

Director of Kiran Gems, the billionaire diamond trader Vallabhai Lakhani, had enthusiastically supported the Surat venture when it was first mooted in 2012. The shift last year was hailed as 'historic', while the fact that he moved many of his workers into a 1,200-apartment housing complex near SDB, built at his own expense, signalled he meant to stay. His entire workforce, however, refused to leave Mumbai, and it seems recruiting locals was not easy.

Other biggies had stayed put in Mumbai, opting to wait and watch, but smaller players found Lakhani's enthusiasm infectious and bought commercial space in SDB. With Lakhani turning his back on Surat, it's unlikely they will consider relocating.

Reports suggest that Lakhani's turnover plummeted to 20 per cent of what it was in Mumbai. Despite the razzle-dazzle of

'Digital India' and the 'Gujarat Model', poor international digital connectivity was apparently a major factor. Surat's international airport was inaugurated in a hurry but has been of little use, with airlines preferring to fly to neighbouring Ahmedabad. Meanwhile, Mumbai ports continue to handle cargo better and faster than Surat, for all its modern facilities. Clearly, a glittering building complex alone cannot build confidence.

Industry analysts are not surprised at the turn of events. It took a good 15 years for diamond merchants to shift to Mumbai's Bharat Diamond Bourse, as traders were reluctant to leave Opera House, historically considered both lucky and convenient. Give SDB time, they say.

Soon after Kiran Gems packed up and moved out of Surat, Nagjibhai Sakariya, president of the managing committee of SDB, put in his resignation. As they say, it never rains but it pours.

Can one night of song-and-dance revive a dead city?

Sixteen years after it first began to take shape, the Gujarat International Finance-Tec (GIFT) City, is not quite

there yet. A diplomat from Singapore, intrigued by boasts that GIFT city would soon beat Singapore as Asia's leading financial centre, quietly visited GIFT City and on his return quipped that it was "not quite alive by day and absolutely dead by night".

The "dead by night" comment stung enough for alcohol authorities to permit the sale of liquor to ring in the New Year, quite failing to understand that the vibrancy of nightlife in cities like Mumbai or Singapore is the result of many factors other than alcohol.

Spread over 900 acres with 62 million square feet of built-up area, and the promise of five lakh direct jobs, GIFT City has just about 20,000 workers, employed by banks and other financial institutions.

Envisaged as a self-contained city, buildings are still under construction or unoccupied, and plots allotted to malls, petrol pumps and residential complexes are still vacant with just one housing society fully functional. Expectations that it would attract a lot of foreign residents have also been dashed.

Despite policy changes, cancellation of construction contracts, court cases and lack of facilities, GIFT City is still harbouring hopes of competing with Mumbai's financial hub in Bandra Kurla Complex (BKC). Perhaps that's the nub of it—BKC does not aspire to be more than a hub. And yet it does far more business and attracts many more international companies than GIFT City, which has been projected as a complete lifestyle city.

Possibly, some of that 'lifestyle' was what inspired the Gujarat government to persuade organisers of the Filmfare Awards to hold their annual song-and-dance extravaganza in GIFT City last week. The signature event of the *Times of India* group has always been held in Mumbai; but for all-too obvious reasons, the proposal to host it in GIFT City this year was not refused. Bollywood stars fell in line and put up a great show as usual.

But what's one evening in the life of a city? The stars flew back home and GIFT City went back to being a 'ghost city' again.

When cops play ED officials

Scammers posing as policemen, CBI, representatives of the PMO and so on are not new in the state. With the Enforcement Directorate (ED) emerging as the most feared central agency, there's a new game in town, with police officers playing ED officials in a bid at extortion.

The Junagadh ATS (Anti-Terrorism Squad) filed an FIR against three police officers—inspector Taral Bhatt, inspector Arvind Gohil and assistant sub-inspector Dipak Jani—for having frozen at least 300 bank accounts in the city on the pretext of said account holders having allegedly violated financial regulations.

The matter first came to light when Kartik Bhandari, a Kerala-based businessman approached his bank to know the grounds for freezing his account. He was told that the three police officers had instructions from the ED to do so.

When he approached the police officers for details, they demanded Rs 5 lakh to unfreeze his account. On pleading that he did not have that kind of money, he was told that others with frozen accounts had paid as much as Rs 25 lakh to restore their accounts,

and that they would not settle for less than Rs 5 lakh.

Investigations revealed that the inspectors had also made attempts to transfer funds from the frozen accounts to an anonymous account. All three have been suspended.

Nifty shades of grey

The yellow sands of Jodhpur are known to turn white in winter when the Demoiselle Cranes fly in from Central Asia, just as parts of Mumbai and Navi Mumbai turn pink with flamingos visiting from around the world.

This year, the wetland bird sanctuary of Khijadiya near Jamnagar has been rippling with grey. Never before have Greylag Geese been seen in such large numbers in this region, say birders.

While enchanted by the avian visitors from Europe and North Africa, they also wonder what changes in their nesting patterns and travel routes warranted this detour from their usual wintering spots in central and west Asia to India's wetlands. Sanctuary officials are busy determining how many birds are making Jamnagar their home this hatching season.



STATES 360°



MAHARASHTRA

Cry, my beloved Maharashtra!

Sujata Anandan

With the Election Commission (EC) declaring the breakaway Ajit Pawar as the 'real' NCP—even before the Speaker of the Assembly decides on the split—this round has gone decidedly in favour of the nephew. For the Rajya Sabha election due on 27 February, the EC has accepted the name suggested by the parent party: 'Nationalist Congress Party-Sharadchandra Pawar'. The Ajit Pawar-led NCP is not quite happy with this. Sharad Pawar's name clearly counts and the Maratha warrior is not known to give up without a fight.

Ajit, now 63 years old, was in primary school when his uncle, now 84, was building his career in politics. Keen to wrest that political legacy from his cousin—Sharad Pawar's daughter Supriya Sule, MP from Baramati—Ajit joined hands with the BJP. A majority of the NCP legislators support him—this is the ground on which the ECI declared his faction the 'real' NCP. By all appearances, the nephew has outsmarted the uncle. But has he?

While leaving it up to the ECI to decide, the Supreme Court observed that the loyalty of legislators cannot be a measure to decide the support of the party organisation. Legislators are both fielded and denied tickets by the party, the court pointed out. Logically, a majority of legislators, after getting elected, cannot turn against or take over the party. The ECI's decision is, therefore, almost certain to be challenged.

For Pawar Sr, it must be painful to see the party he built over 25 years being handed over to his rebellious nephew. The NCP that he built—after splitting from the Indian National Congress in 1999—was a recognised national party, one of six, until last year.

With Ajit Pawar's ambition limited to the state, observers are waiting to see if he can turn the NCP into a national party again. Ajit 'Dada' Pawar's influence does not extend beyond a few pockets, nor does his party have any presence in Vidarbha and Marathwada. As Sharad Pawar's acolyte Jitendra Awhad said, tauntingly, "You are not even known outside the state. Let's see you retain NCP's influence in the 20 other states where Pawarsaheb has a presence."

Ajit Pawar knows only too well that the NCP has always been synonymous with Sharad Pawar. Barely two days before the ECI decision, Ajit told a gathering in Baramati, their home turf, not to be sentimental and vote for his ailing uncle. Most people were not amused, recalling the ailing uncle campaigning through pouring rain in Satara, seat of Chhatrapati Shivaji and his descendant's parliamentary constituency.

In 2019, the old man had taken on the might of the BJP and its candidate's royal lineage to secure victory for a little-known bureaucrat. The backlash forced the nephew to regret his statement.

Slaying the demons of Hindutva?

For years now, Shiv Sena (UBT) president Uddhav Thackeray has been distancing himself from his father Bal Thackeray's extremist Hindutva. Eschewing violence and steadily toning down Balasaheb's shrill rhetoric, Uddhav was ridiculed by Hindutva bigots and failed to convince liberal society.

However, both liberals and minorities were won over by his even-handed dealings as chief minister. During Covid, he banned both Ganpati *aartis* and namaaz on the streets. When the BJP and cousin Raj Thackeray attempted to provoke communal flare-ups during Ramazaan by reciting the Hanuman Chalisa outside mosques, he allowed it 15 minutes before and after the



azaan, 100-metres away from any mosque.

Since then, Uddhav has had a tough time emphasising his conciliatory brand of Hindutva while not going so far as to upset other partners in the Maha Vikas Aghadi alliance. Here's where the BJP unwittingly lent him a hand—by not sending him an invite to the inauguration of the Ram Mandir, until the nth moment.

This released Uddhav from a possible 'dharamsankat'. A no-show would have damaged his political interests. Showing up would have affected his relationship with the I.N.D.I.A. alliance, which had turned down the invitation, en bloc.

Astutely, Uddhav launched his own election campaign on the same day (22 January) from the temple town of Nashik. It is here that Ram, Sita and Lakshman are believed to have broken their journey en route to Lanka following their exile from Ayodhya.

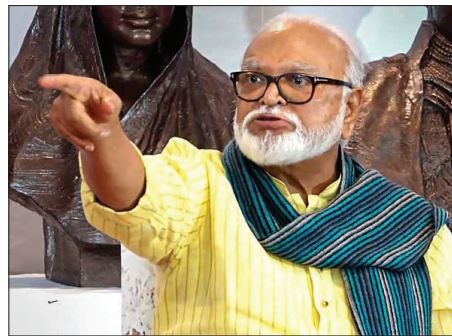
Nashik's Kalaram temple was where B.R. Ambedkar and Sane Guruji, a social reformer of the 1930s, led the agitation against lower castes being denied entry by Brahmin priests. Uddhav's grandfather Prabodhankar Thackeray's incendiary writings supported the campaign.

No less fiery were the grandson's words, as he declared, "We proudly fly our saffron flags, it is you who are tearing them down. Your Hindutva believes in starting fires between religious communities. Our Hindutva is about keeping home fires burning, yours is about burning homes down."

The balancing act that Uddhav Thackeray is attempting between socialism, secularism and Hindutva was apparent in the next leg of his campaign in the Konkan, when he declared he was not Narendra Modi's enemy—it was not he who had abandoned the BJP but the other way round. Lest anyone imagine he was making overtures to Modi, he added that the current regime was rife with *lekshasas*. "If these demons return, we will be left with no Republic at all; and from next year, Republic Day will become Demon Day in the country." Perhaps only a friend turned foe could be so cutting.

Now 'Mughlai' Marathas?

The mishandled Maratha reservation issue has clearly caused a rift in the Maha Yuti alliance ruling the state. The



seriously uncharismatic chief minister Eknath Shinde has been attempting to assert his Maratha identity. In the process of seeking kinship with the 33 per cent Marathas in the state, he may have alienated 52 per cent of the Other Backward Classes (OBCs), who are protesting his decision to give what they describe as "backdoor entry" to Marathas, by issuing them 'Kunbi' certificates (Kunbi being a subset of Marathas, classified as OBC).

Leading this agitation across the state is food and civil supplies minister Chhagan Bhujbal, who has asserted all along that he supports reservation for Marathas, but not if it eats into the OBC quota. With multiple agitations picking up pace, Bhujbal's rebelliousness has provoked Maha Yuti MLAs into telling him he has no business continuing as minister in a government he openly opposes. This triggered a startling revelation from Bhujbal: he had already resigned on 16 November 2023, days before he decided to hit the streets. For fear of opening a wider chasm in an already fissured government, Shinde seems not to have accepted it.

Bhujbal, who has been trying for years to emerge as an OBC leader of consequence, has now been given the opportunity on a golden platter. The element of 'sacrificing' a ministerial post and persecution by central agencies—which is why he had joined the government in the first place—is a risk calculated for gain. However, he has stiff competition in Vanchit Bahujan Aghadi leader Prakash Ambedkar, who has been trying to reinvent himself as a leader not just of Dalits but also the larger non-Brahminical community.

Ambedkar added a twist to Bhujbal's spiel. There have always been two kinds of

Marathas, he said, the Nizami Marathas (from the Marathwada region ruled by the Nizam of Hyderabad) and the *ryoti* (farming) Marathas from the rest of the hinterland. While the former were loyal to Mughal emperor Aurangzeb, the latter swore allegiance to Shivaji.

Ambedkar's wrath is directed at the 'Mughlai' Marathas, who betrayed Shivaji's son Sambhaji to Aurangzeb and have always been a rich and privileged community. Why should they seek reservation, asks Ambedkar, when it is the poor underprivileged *ryoti* Marathas who actually need it? No wonder the chief minister is dodging the issue—he can neither swallow the threats nor spit out their bitter residue.



Cry, my beloved Maharashtra!

Kuthe nevun thevala Maharashtra majha (What have you brought my Maharashtra to!)" exclaimed Sharad Pawar as two ruling alliance members indulged in a shoo-out inside a police station in Thane over a land dispute. Echoing the sarcastic BJP slogan against the NCP in 2014 that pointed to the lack of development in the state and corruption in the government, today it does ring true as a cry from the heart. Pointing not only to the destruction of the social fabric of a liberal, lawful state, but also to a government that seems to be overrun by gangsters.

ECONOMIC INCLUSION

Slogans versus the reality

To reduce unpaid labour is the first step towards women’s real participation in the labour market

Indira Hirway

The Union Budget for 2024–25 was significant on two counts: 1) it highlighted the achievements of this government over the past decades and 2) it presented a broad approach to India as a developed country in the event the party is returned to power in the forthcoming elections.

The finance minister started her speech with bombastic claims of a “profound positive transformation of the Indian economy in the last ten years”, with “social inclusivity through coverage of all strata of society” and “geographical inclusivity through the development of all regions in the country”. This too rosy a picture of our economy is factually incorrect on most fronts. For instance, the claim of the Niti Aayog that multidimensional poverty declined during the economic slowdown has been clearly refuted by many experts, who have shown that poverty has, in fact, increased.

The decline in the headcount ratio of poverty claimed by the finance minister is also incorrect, as no consumption expenditure data is available since 2011–12 (you cannot compute the headcount poverty ratio without data on consumption expenditure).

The claim that the increase in women’s participation in the labour market reflects their empowerment is factually incorrect, as this increase is primarily through self-employment, which simply translates as increased vulnerability of women in the Indian economy.

The pandemic was not handled

satisfactorily by the government, beginning with the sudden thoughtless lockdown that compelled thousands of poor helpless migrants to walk hundreds of kilometres to reach their homes, followed by many other missteps, including the severe shortage of oxygen cylinders when they were needed most.

Finally, the performance on the employment front has not been good. A majority of the claims made by the government are thus contested.

The focus of the budget is on the poor; youth, women and farmers, all of which is desirable. However, the details do not reflect this focus. It is important to note that the overall GDP-centric strategy of the government will not automatically help these four sectors.

The poor and the youth, in particular, need an employment-centric strategy that is strongly backed by education and skill-formation. Generation of productive employment on a massive scale is a sure way to reach inclusive growth. With 79 per cent literacy and only about 30–35 per cent of our population educated up to the secondary level, the Indian workforce is just not capable of participating in the mainstream growth process.

Unless there is a quantum jump in the expenditure on (quality) education, the youth and the poor will remain marginalised and excluded. Distributing free food grains to 80 crore people (almost 60 per cent of the population) is charity. Generation of productive employment is a far better alternative.

Neither is the concept of women’s empowerment understood in all its complexity. The root of women’s sub-

ordination lies in patriarchy. Women’s low participation rate overall and inferior status in the labour market arises from the patriarchal division of labour, whereby women are responsible for unpaid domestic work and care of the children, the old, the sick and the disabled in the family. The division of labour at the household level assigns men the role of breadwinners, while women are to be homemakers. Even with hired help, it is the woman of the household who is held responsible for the upkeep of the home.

Consequently, women either do not enter the labour market at all, or they enter it with the additional baggage of domestic responsibility. Thus, gender inequality in the labour market starts right at the entry into the labour market. With lower human capital and restricted mobility in the labour market thanks to patriarchal norms, women’s choices are also gendered. They prefer to work part-time or flexi-time, in safe environments, closer to home. Often, they are found

Unfortunately, the government has not formed any policy to address the real constraints women face

overcrowded in stereotyped low-productivity jobs.

If the government wants women to be truly empowered and also to enter the labour market, they will first have to work towards the reduction of unpaid labour. This can be ensured by improving technology (with fuel-efficient cooking stoves in place of primitive wood-fired stoves, for instance); by providing infrastructural support, such as water supply at their doorstep; by shifting a part of their unpaid work like child care, care of the disabled and the old to mainstream institutions or civil society organisations.

These steps will release women from the burden of unpaid work to a significant extent, reduce their time stress, enable them to acquire new skills and participate in productive work. To bring about gender equality in the labour market, however, the government will also have to take a quantum leap in improving education and skillsets among women.

Unfortunately, the government of

India does not recognise the role of unpaid work and societal norms in women’s subordination, low participation and inferior status in the labour market. It has not formed any policy to address the real constraints that women face.

The government must understand that burdening women belonging to the weaker sections with more work in the labour market without reducing their unpaid work is likely to have an adverse impact on their empowerment.

As regards the strategy for moving India to ‘Viksit Bharat’, continuing on the same growth path will not help to achieve inclusive and all-pervasive development in the country.

‘Sabka Saath’ will happen only when the government cares enough to take everyone along, especially the marginalised sections of our population. ■

INDIRA HIRWAY is professor of economics at the Centre for Development Alternatives, Ahmedabad. Courtesy: The Billion Press

Why the trust deficit in the EVM

In its present form, the EVS is manipulable, making a mockery of the claim that our elections are ‘free and fair’

A.J. Prabal

Even as several thousand protestors assembled at Jantar Mantar in New Delhi on 31 January to demand elections through ballot papers, the Election Commission of India (ECI) amped up its campaign to defend the electronic voting system (EVS).

Four years after questions were raised, the ECI announced on its website that the Control Unit is the ‘master’ and the VVPAT the ‘slave’ in the system. It also sent out an unspecified number of machines to accompany the government’s ‘Viksit Bharat Yatra’ to reassure people that there is nothing wrong with the electronic voting machine (EVM).

EVM vs. EVS

The EVM is not a single machine. It is a combination of three machines, namely, the Ballot Unit (BU), the VVPAT (Voter Verified Paper Audit Trail) unit and a Control Unit (CU). BU is the machine on which voters press the buttons against listed candidates and symbols to register their vote. Since 2019, the EVM is attached to a VVPAT unit which receives the signal from the BU and prints the symbol voted for. It is visible for seven seconds to

enable voters to verify that the intended symbol has been recorded. The signal then travels to the CU which records the vote for counting.

The ECI’s latest clarification claims that the signal travels from the BU to the CU, which transmits the signal to the VVPAT. Voters, however, have no way of verifying what the CU has recorded. Is it possible for the chip or microprocessor in the CU to transmit one signal to the VVPAT but record a different signal for counting? The voter has no way of knowing.

Can the CU and the VVPAT be programmed in such a way that every third or fifth vote cast is recorded in favour of a particular party? Is it possible to manipulate the CU?

The question of trust

Trust is at the heart of any election. The voter must know their ballot is secret and has been recorded and counted as cast. The voter must also be able to verify on

her own, without the help of experts and authorities, the accuracy of the process. Until this last condition is fulfilled, EVMs cannot be used, ruled the German Supreme Court in 2009.

What is more, the voter should be able to cancel their vote ‘without interacting with any authority’ and without any reference to officials in case of doubt.

In India, voters cannot legally complain about VVPATs, electoral rolls etc. If a complaint is lodged, the onus to prove it lies with the voter and a fine of Rs 5,000 is imposed if the charge is unproven. In the absence of any dispute resolution mechanism—a systemic flaw in the Indian system—complaints are almost never made.

“The correct VVPAT protocol would be to allow a voter to approve the VVPAT slip before the vote is finally cast and provide an option to cancel her vote if a discrepancy is noticed. The only way to do so, without trusting machines and buttons, is to allow the voter to obtain the VVPAT slip and cast it in

a box herself,” says S. Banerjee, professor of computer science at Ashoka University and a member of the Citizens’ Commission on Elections (CCE) headed by retired Supreme Court Justice, Madan Lokur.

This system was recommended by the US National Academy of Sciences in 2018, and sought by the I.N.D.I.A. alliance in a memorandum to the ECI last year.

A combination of EVMs and paper ballots are being used in most European countries and the US. While electronic machines verify the identity and eligibility of the voter and eliminate the possibility of duplicate voting, voters collect the ballot papers and check if their vote has been recorded correctly before dropping them in the ballot box. The machines and the ballots are then matched and used in post-poll audits—something that the ECI does not do.

The trust deficit is also due to the government of India’s insistence on knowing the voting pattern at every polling booth, for

‘better administration’. In 2015–16, it rejected a proposal by the ECI to mix votes recorded in 40 or 50 booths before counting.

This, coupled with political party workers telling voters that the ‘gormint’ would come to know who they voted for; adds a fear factor to the equation.

Bharat Electronics Limited

The EVS is assembled by BEL, a public sector company that functions under the ministry of defence, with five full-time directors and two part-time ‘government directors’ nominated by the Union government. Why then does it also have seven additional independent directors nominated by the government, four of whom are associated with the BJP, asked Rajya Sabha MP Digvijaya Singh in Parliament this week.

The BEL website names Shyama Singh, an advocate from Gaya in Bihar; Shiv Nath Yadav, a retired professor of political science from Varanasi; Mansukhbhai Shamjibhai Khachariya, businessman and district BJP president from Rajkot and P.V. Parthasarathi, a dentist from Hyderabad among the ‘independent’ directors.

Disproportionate representation of the ruling party on the BEL board seems suspicious.

Following assembly elections in Madhya Pradesh, Rajasthan and Chhattisgarh late last year, a group of lawyers in the national capital launched a campaign against the EVM. They cited figures revealing a mismatch between ECI’s own figures of votes counted and votes polled in several constituencies. Discrepancies in victory margins led them to allege that EVMs had been manipulated.

A group of Supreme Court lawyers says the 2024 general election must be held with ballot papers. “That is what the law mandates; the ECI must count ballot papers and match [them] with the EVM count,” said advocates Bhanu Pratap Singh, Narendra Mishra and

Mehmood Pracha.

Since the ECI is already printing VVPAT slips, where’s the difficulty in counting them and matching the count with the EVMs? The ECI has opposed this demand in the Supreme Court, pleading time-constraints, arguing that the process could take five to six days. The lawyers are not convinced, since paper ballots were earlier counted in a day-and-a-half.

Election experts warn that manipulating even 10 votes in each polling booth with a thousand voters can lead to a one per cent swing, and that there is a clear and present danger of electoral rolls being manipulated through deletion, addition or coercion.

Lawyers also claim that there are 70 lakh duplicate voters in Uttar Pradesh alone, despite door-to-door revision. With the same voters registered in different constituencies, manipulation of results is eminently possible in a multi-phase election.

Stuffing of votes

One of the reasons for discarding ballot paper was the stuffing of votes in ballot boxes by political party workers or even polling personnel after polling was officially over. Additional reasons for distrust were the sudden surge of votes in the last hour of voting and the ECI revising voting percentage 12 hours or later after voting.

The electronic system is not equipped to prevent stuffing of votes. The only limiting factor embedded in the system is on the number of votes that can be cast per unit of time—12 seconds for one vote. In other words, only five votes can be cast or stuffed every minute. This is a very weak measure, says Banerjee, because as many as 300 votes can still be stuffed into a single machine in an hour.

“There are several techniques to ensure (and prove) that every vote cast is by an eligible voter who has not already cast her vote, but the ECI is either unaware or disinterested,” he concluded. ■

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Photo: Getty Images



SMOKESCREEN? Stonewalling all the evidence that the EVS needs reformatting, the Election Commission is running an awareness campaign to show all is well

Photo: Getty Images



Draft biotech policy to propel bio-tech industry of Karnataka to new heights

With an aim to play a pivotal role in retaining the status of Biotechnology capital of India, the Karnataka Government released a draft Biotechnology policy in November 2023.

Karnataka's biotech R&D spent crossed \$ 200 million, a good network of infrastructure, a huge talent pool, third largest GST collection, fifth in terms of ease of doing business and one of the highest FDI in India makes the state's ecosystem perfect for the growth of sector.

India is ranked third in the Asia-Pacific region and among the top 12 biotechnology destinations worldwide. About 3% of the world's biotechnology industry is accounted for by India. The value of Indian Bioeconomy is USD (\$0.12 billion, which registered a 14.1% growth from 2021. Indian Bioeconomy contributes 2.6% of the total GDP share. R&D expenditure in the field of Biotechnology has crossed \$1 Billion, the sector has received \$ 830 million as FDI in 2021.

India has seen a huge surge in new start-ups with 3 new startups coming every day, in 2021 India registered 1,128 startups with cumulative number being 5, 365. India aims to be a \$ 150 billion Bioeconomy by 2025 and a \$ 300 billion by 2030, the draft policy outlines.



Karnataka being the Biotechnology capital of India will play a pivotal role in achieving this target. Karnataka has been on the forefront of Indian Biotechnology Industry, owing to the prevailing ecosystem of the state.

The Bioeconomy of the state grew from \$ 16.44 billion to \$ 18.91 billion in 2022. As many as 155 new biotechnology startups were registered in the state in 2022, on an average a total of 13 biotech startups every day and a cumulative total of startups grew to 632.

Bengaluru, Karnataka's science capital and Asia's fastest growing Technopolis has developed into an ideal base for the Biotechnology industry. Karnataka is home to many renowned educational and research institutes, including the Indian Institutes of Sciences (IISc), National Centre for Biological Sciences (NCBS), Jawaharlal Nehru Centre for Advanced Scientific Research (JNCASR), Rajiv Gandhi University of Health Sciences, the University of Agriculture Sciences (USA), Institute for stem cell science and regenerative medicines, Central Food Technological Research Institute (CFTRI), Defence Food Research Laboratory, University of Horticulture Sciences and others.

State has built considerable resources and human capital to support biotechnology companies and a multidisciplinary talent pool. The establishment of CHG, IBAB, and IBAT allowed the development of quality manpower in the fields of genetics, molecular biology and biotechnology. The Biotechnology Finishing School (BTFS) – a first-of-its kind initiative in India – was launched in collaboration with the Department of Biotechnology (DBT). Under the renewed plan, the focus would be on driving smart collaboration with the industry to align the skill sets of

Support for Skill Development

The Biotechnology Skill Enhancement Programme (BiSEP), the modified version of the Biotechnology Finishing School (BTFS), aimed to educate and empower human resources to bridge the gap between academia and the biotech industry was started in 2018 in eighteen institutes spread across eight districts of Karnataka.

Out of the 550+ students that enrolled in the programme, 485+ had successfully finished their training, with over 60% of them getting placed in industry.

A Skill Vigyan Centre was established in 2021 at Karnataka Innovation and Technology Society (KITS), with the support of Department of Biotechnology, Ministry of Science & Technology Government of India and under Faculty Training Program (FTP) and Entrepreneurship Development Program (EDP), implemented through seven partner institutes, 125+ teaching faculty and entrepreneurs have been trained in multidisciplinary areas of biotechnology.

A separate Skill Council for Emerging Technologies in Biotechnology has been constituted under the chairmanship of Minister for IT and BT, Government of Karnataka and members drawn both from Industry and academia. The council will provide guidance, policy advisory and specific action-oriented recommendations to bridge the skill gaps in emerging areas of technology.

Promote Startups & Entrepreneurship

The State Government has continued to support the establishment of bio-incubators in different parts of the State under Technology Business Incubator scheme of Startup Policy and Biotechnology Policy.

A total of 1.5 Lakhs plus incubation space has been created in five places viz., Bangalore Bioinnovation Centre, Bengaluru, GoK-Manipal BioIncubator, Mangaluru, Nutra Phytopharmaceuticals Incubation Centre, Mysuru, Institute of Agri Biotechnology, University of Agricultural Sciences, Dharwad and Centre for Biotechnology, University of Horticultural Sciences, Bagalkot. Nearly 250+ bio startups are incubated.

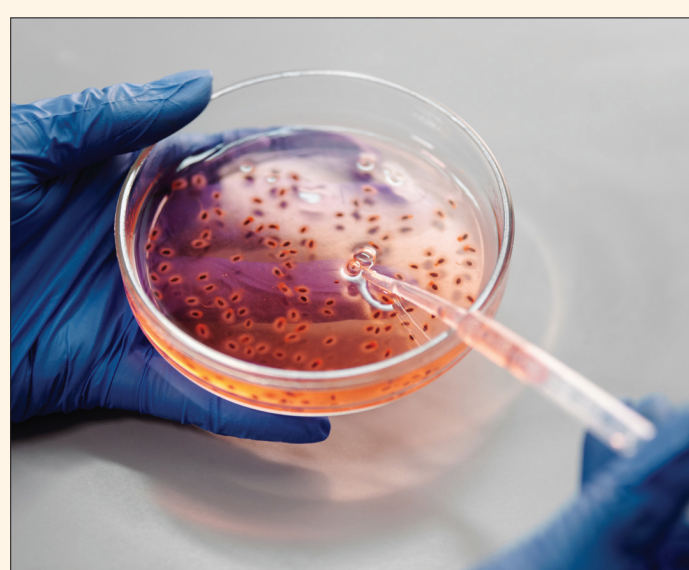
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A total of 197 bio-startups have been funded under Elevate Idea2PoC scheme of Karnataka Startup Policy to tune of Rs.50+ crores.

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The combined valuation of these seven companies is estimated at Rs.1500 crores upwards.

The Karnataka government launched the Global Innovation Alliance program in 2017 with the goal of establishing a forum for international cooperation on technology and innovation and making sure the state of Karnataka has a chance to demonstrate its capabilities as part of this global tech revolution. Currently, Karnataka is engaged in ongoing collaboration on projects with over 30+ GIA partners.



R&D to develop life saving anti-venom drugs

Karnataka is working towards addressing key societal issues by collaborating with various government departments to encourage projects that seek to provide solutions made possible by biotechnology.

To strategically shape the future of biotechnology in the areas having wide societal impact and increased bioeconomy, Anti-Venom Research and Development Centre (AVRDC), is being established as a collaborative initiative between KITS, GoK, IBAB and the Evolutionary Venomics Lab, Centre for Ecological Sciences, Indian Institute of Science at Bengaluru Helix Biotech Park. This centre will play a major role in developing advanced snakebite interventions and biodiversity research from venoms, as well as provide various services invaluable for the manufacture of lifesaving anti-venoms.

GROWTH POTENTIAL FOR BIOTECHNOLOGY IN THE STATE

The value of Indian Bioeconomy is \$ 137.2 billion, which registered a 29% growth from 2021. Indian Bioeconomy contributes 4% of the total GDP share. R&D expenditure in the field of Biotechnology has crossed \$ 1 billion, the sector has received over \$ 580 million as FDI in 2022. India has seen a huge surge in new start-ups with 3.8 new startups coming every day, in 2022 India registered 1,391 startups with cumulative number being 6,755.

India aims to be a \$ 150 billion Bioeconomy by 2025 and a \$ 300 billion by 2030, Karnataka being the Biotechnology capital of India will play a pivotal role in achieving this target. Karnataka has been on the forefront of Indian Biotechnology Industry, owing to the prevailing ecosystem of the state.

The Bioeconomy of the state grew to \$ 27.1 billion in 2022. 155 new biotechnology startups were registered in the state in 2022, on an average a total of 13 biotech startups every day and a cumulative total of startups grew to 632. Karnataka's biotech R&D spent crossed \$ 200 million.

IBAB is undertaking two distinct projects by state government synthetic biology group IBAB and Bio IT Centre. The Centre for Human Genomics has provided diagnostic and counselling services to 27,000 families with genetic disorders, the services are free of cost for BPL families.

Karnataka to up its game in AVGC sector with launch of new 5-year- AVGC policy

Karnataka Congress government unveiled the new animation, visual effects, gaming, comics and extended reality (AVGC-XR) policy to guide the growth of the sector until 2029 on January 29, 2024.

With a keen intention to tap into the global Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) industry, which is seeing unprecedented growth in the last few years, becoming an integral part of the broader technological landscape.

As per the latest data, India's IT-BPM sector contributes around 8% to the national GDP, with the state of Karnataka playing a significant role by contributing 25-30% to the state's Gross State Domestic Product (GSDP). This existing technological prowess provides Karnataka with a strategic advantage in embracing and advancing in the AVGC-XR sectors.

Countries like Japan, South Korea, and Singapore have set global benchmarks in the development of AVGC-XR sectors by establishing dedicated centers of excellence, innovation hubs, and facilitating public-private partnerships. Their focus on integrating these sectors into mainstream industries has led to technological advancements that have implications far beyond entertainment—ranging from healthcare and education to real estate and manufacturing.

Taking inspiration from these global best practices, this Policy Document outlines the Government of Karnataka's strategic vision and targeted initiatives for the AVGC-XR sectors.

The global AVGC market presents an expansive field of opportunities, driven by technological advancements and changing consumer behaviors. According to data from India's Ministry of Information and Broadcasting, the market was valued at over \$366 billion.

A closer look reveals that Animation and Visual Effects (VFX) contribute to 46% of the market, whereas Gaming accounts for the remaining 54%. These are not stagnant figures but indicators of dynamic segments that are poised for considerable growth.

The Animation and VFX industry is projected to grow at a CAGR of 10.94% over the next halfdecade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

Unveiling the policy during the Bengaluru GAFEX-2024 held last month (January 31) Chief Minister, Siddaramaiah said that recognising this as a sunrise sector, Karnataka back in 2012 itself launched the first AVGC Policy, which addressed the domestic and global need, as well as educational institutions dedicated to animation, visual effects, and gaming.

"These educational establishments constitute the lion's share of India's 139 institutes across these specialised fields. The state also has Digital Art Centres in 27 Fine Arts colleges catering to 600 students and one AVGC-XR Finishing School," he said while releasing the policy.

The policy also identifies need of establishing Centers of Excellence and innovation hubs across the state with an aim to create a collaborative environment involving academia, the private sector, and governmental agencies. They will serve as focal points for skill development, fostering innovation, and translating research into market-ready

products and services, the policy states.

Additionally, this document lays down a robust policy framework designed to accelerate growth in the AVGC-XR sectors. It includes a range of fiscal incentives, a streamlined regulatory environment, and the development of cutting-edge infrastructure. The objective is to provide a nurturing and enabling setting that allows both startups and established companies to flourish, ensuring that Karnataka becomes a prime destination for investments in these sectors.



planning, strategic alliances, and a focus on sustainable growth and innovation, we are committed to shaping a future where Karnataka not only retains its pole position in the traditional IT-BPM sector but also emerges as a powerhouse in the global AVGC-XR landscape," he said.

In his address, higher education minister, Dr M. C. Sudhakar assured that the state government would consider creativity as an important skill to be incorporated in the state education policy.

Adding further Kharge said "Skilling is the only way to stay abreast with rapidly evolving jobs in the market. Our intention with DAC will always be to bridge the industry-academia gap in the sector. We will ensure more qualified trained facility across all centers. And create new and better opportunities for our students."

The new policy outlines that investment in the AVGC-XR sector has been robust, with financial backing coming from a diverse set of stakeholders including venture capitalists, angel investors, and government bodies. This financial support has fueled R&D initiatives, enabling the development of cutting-edge technologies and techniques. In return, these advancements have made the sector increasingly lucrative, attracting even more investment in a virtuous cycle of growth and innovation, the policy added.

Consumer behavior has also played a pivotal role in the sector's growth. The widespread adoption of smartphones and the popularity of Over-The-Top (OTT) platforms have created a large and growing audience hungry for high-quality, immersive experiences.

This consumer demand has, in turn, exerted pressure on content providers to continually upgrade their game, leading to a cycle of mutual reinforcement that benefits both consumers and producers. In India, the potential for the AVGC-XR sector is especially promising.

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"Given these trends, financial projections are quite optimistic. Based on current rates, the Animation and VFX segment is expected to reach approximately \$282.3 billion by FY26 and further expand to around \$427.7 billion by FY30. On the other hand, the gaming industry is anticipated to grow to \$314.4 billion by FY26 and escalate to an impressive \$454.3 billion by FY30. This brings the total estimated value of the global AVGC market to about \$596.7 billion by FY26 and a staggering \$882 billion by FY30," the policy claims.

With global AVGC market is not only large but also growing at an impressive pace, opening avenues for new entrants and providing existing players with opportunities to expand and innovate.

The increasingly digital nature of global entertainment consumption, coupled with innovations in hardware and software, suggests that the sector is well-positioned for sustained long-term growth. As such, for investors, entrepreneurs, and governments alike, the AVGC sector represents a promising area for focus and investment.

When it comes to the Animation, Visual Effects, Gaming, and Comics (AVGC) sector, India holds a position of untapped potential, currently accounting for less than 1% of the global market. However, a limitation but as an expansive space for growth. Governmental forecasts suggest that with appropriate interventions, India could secure up to 3% of the global market by FY30. This would mean that the Indian

AVGC market could balloon to a sizeable \$26 billion, the policy notes.

The fiscal data elaborates on this potential more concretely. In FY21, the Indian Animation and VFX sector was valued at approximately \$1.13 billion, and the gaming sector stood at about \$1.9 billion. These figures are projected to multiply, reaching around \$4.2 billion for Animation and VFX and approximately \$4.7 billion for gaming by FY26. By FY30, the numbers look even more promising: \$13.1 billion in Animation and VFX, and \$13.3 billion in gaming, aggregating to \$26.4 billion across the AVGC sector, the policy estimates.

In terms of investment and employment, the Indian market is already showing robust dynamics. From 2014 to 2020, Indian gaming startups attracted \$350 million in venture capital funding, and the sector is growing at an impressive CAGR of 22%. The sector's employment statistics further underline its growth potential.

While 180,000 professionals are currently employed in the AVGC sector, projections estimate that another 2 million jobs will be added by 2030. In conclusion, India's AVGC sector is a hotbed of untapped potential.

Karnataka, recognized as India's IT hub, is also carving out a leadership position in the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector.

With a robust 20% share of the Indian Media & Entertainment industry, the state hosts over 300 specialized AVGC studios and has a professional workforce exceeding 15,000, providing a strong base for industry growth.

Karnataka is home to 5 institutes dedicated to animation, 3 for visual effects, and 12 focused on gaming. These educational establishments make up a significant fraction of India's 139 institutes in these specialized fields, creating a fertile training ground for future industry leaders. The state has also setup Digital Art Centers in 27 colleges catering to 400 students and 1 AVGC Finishing School with 842 students trained. The state has not only established India's first AVGC Centre of Excellence, but it has also launched a dedicated AVGC Fund, already investing in two groundbreaking startups. These moves demonstrate Karnataka's commitment to accelerating growth in this sector.

Key challenges faced by AVGC sector

Talent Gap and Skill Development: One of the major challenges facing the AVGC-XR industry in both India and Karnataka is the acute shortage of qualified and skilled professionals. Even though educational institutions have mushroomed, the quality of education in the relevant skills like animation, game design, and visual effects is often sub-par. The curriculum in many of these institutions is outdated and not in sync with the needs of the industry, leading to a significant talent gap.

Lack of Funding and Investment: Funding represents another significant challenge for the sector, especially for startups and smaller enterprises. Although Karnataka has taken a step in the right direction with its dedicated AVGC Fund, such initiatives are far from commonplace in India. The lack of financial backing hampers innovation, scalability, and the ability of these companies to compete globally.

Regulatory Hurdles: Regulations in India around media and entertainment can often be tricky to navigate and may present challenges, especially for the gaming and extended reality segments. Censorship rules and intellectual property rights are still areas that require significant improvement for the sector to thrive.

Dependency on Outsourced Projects: A large chunk of the revenue for the AVGC-XR sector in India comes from outsourced projects from countries like the USA and UK. This dependency makes the sector vulnerable to economic fluctuations in these countries and can have a cascading impact on the Indian market.

Vision

Global Leadership in Innovation: Strive to make Karnataka a leader in emerging technologies such as AI, AR/VR, and blockchain within the AVGC sector.

Global Talent Hub: Transform Karnataka into a Centre of Excellence for AVGC related skills, attracting students and professionals to Karnataka for education and career development in this sector.

Decentralization: Establish emerging clusters, in addition to Bengaluru, as hubs for AVGC, to distribute economic benefits more evenly across the state.

Sustainability & Inclusion: Incorporate sustainability and inclusivity in the AVGC industry by 2028. Embed ESG (Environmental, Social, Governance) criteria into the AVGC sector's operational ethos.

Intellectual Property Protection: Establish Karnataka as a pioneering state in IPP within the AVGC sector with robust legislative frameworks, cutting-edge technological safeguards to deter piracy, thereby fostering a secure and thriving ecosystem for creators, investors and consumers.

Empowering India's Cultural Legacy: Position India as a global leader in the AVGC sector by harnessing and amplifying the country's rich cultural heritage and developing immersive experiences which authentically represent India's diverse traditions, stories, art forms, elevating them to international acclaim and fostering cultural exchange.

Goals

Company Growth: Facilitate the establishment and growth of at least 200 AVGC companies, including 50 that are particularly innovative or high-profile.

Digital Transformation: By 2028, achieve a 30% reduction in operational efficiencies, a 20% boost in creative output, and a 25% expansion in digital marketing reach in the AVGC sector, enabled by targeted investments in digital infrastructure, skill building programs, and regulatory

Education, Training & Employment: Create awareness among youth about the opportunities encompassing both education and employment prospects within the AVGC sector and Create 30,000 new, high-quality jobs in the sector by 2028, with a focus on roles requiring specialized skills in emerging technologies. Partner with 200 or more educational institutions and industry, including MOOC platforms, to train at least 50,000 individuals in AVGC-specific and standardized skills.

Export Growth: Aim for exports to constitute at least 80% of the sector's total revenue, thereby also positively impacting the state's balance of trade.



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R&D to develop life saving anti-venom drugs

Karnataka is working towards addressing key societal issues by collaborating with various government departments to encourage projects that seek to provide solutions made possible by biotechnology.

To strategically shape the future of biotechnology in the areas having wide societal impact and increased bioeconomy, Anti-Venom Research and Development Centre (AVRDC), is being established as a collaborative initiative between KITS, GoK, IBAB and the Evolutionary Venomics Lab, Centre for Ecological Sciences, Indian Institute of Science at Bengaluru Helix Biotech Park. This centre will play a major role in developing advanced snakebite interventions and biodiversity research from venoms, as well as provide various services invaluable for the manufacture of lifesaving anti-venoms.

GROWTH POTENTIAL FOR BIOTECHNOLOGY IN THE STATE

The value of Indian Bioeconomy is \$ 137.2 billion, which registered a 29% growth from 2021. Indian Bioeconomy contributes 4% of the total GDP share. R&D expenditure in the field of Biotechnology has crossed \$ 1 billion, the sector has received over \$ 580 million as FDI in 2022. India has seen a huge surge in new start-ups with 3.8 new startups coming every day, in 2022 India registered 1,391 startups with cumulative number being 6,755.

India aims to be a \$ 150 billion Bioeconomy by 2025 and a \$ 300 billion by 2030, Karnataka being the Biotechnology capital of India will play a pivotal role in achieving this target. Karnataka has been on the forefront of Indian Biotechnology Industry, owing to the prevailing ecosystem of the state.

The Bioeconomy of the state grew to \$ 27.1 billion in 2022. 155 new biotechnology startups were registered in the state in 2022, on an average a total of 13 biotech startups every day and a cumulative total of startups grew to 632. Karnataka's biotech R&D spent crossed \$ 200 million.

IBAB is undertaking two distinct projects by state government synthetic biology group IBAB and Bio IT Centre. The Centre for Human Genomics has provided diagnostic and counselling services to 27,000 families with genetic disorders, the services are free of cost for BPL families.

Karnataka to up its game in AVGC sector with launch of new 5-year- AVGC policy

Karnataka Congress government unveiled the new animation, visual effects, gaming, comics and extended reality (AVGC-XR) policy to guide the growth of the sector until 2029 on January 29, 2024.

With a keen intention to tap into the global Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) industry, which is seeing unprecedented growth in the last few years, becoming an integral part of the broader technological landscape.

As per the latest data, India's IT-BPM sector contributes around 8% to the national GDP, with the state of Karnataka playing a significant role by contributing 25-30% to the state's Gross State Domestic Product (GSDP). This existing technological prowess provides Karnataka with a strategic advantage in embracing and advancing in the AVGC-XR sectors.

Countries like Japan, South Korea, and Singapore have set global benchmarks in the development of AVGC-XR sectors by establishing dedicated centers of excellence, innovation hubs, and facilitating public-private partnerships. Their focus on integrating these sectors into mainstream industries has led to technological advancements that have implications far beyond entertainment—ranging from healthcare and education to real estate and manufacturing.

Taking inspiration from these global best practices, this Policy Document outlines the Government of Karnataka's strategic vision and targeted initiatives for the AVGC-XR sectors.

The global AVGC market presents an expansive field of opportunities, driven by technological advancements and changing consumer behaviors. According to data from India's Ministry of Information and Broadcasting, the market was valued at over \$366 billion.

A closer look reveals that Animation and Visual Effects (VFX) contribute to 46% of the market, whereas Gaming accounts for the remaining 54%. These are not stagnant figures but indicators of dynamic segments that are poised for considerable growth.

The Animation and VFX industry is projected to grow at a CAGR of 10.94% over the next halfdecade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

Unveiling the policy during the Bengaluru GAFEX-2024 held last month (January 31) Chief Minister, Siddaramaiah said that recognising this as a sunrise sector, Karnataka back in 2012 itself launched the first AVGC Policy, which addressed the domestic and global need, as well as educational institutions dedicated to animation, visual effects, and gaming.

"These educational establishments constitute the lion's share of India's 139 institutes across these specialised fields. The state also has Digital Art Centres in 27 Fine Arts colleges catering to 600 students and one AVGC-XR Finishing School," he said while releasing the third 5-year AVGC-XR policy.

The IT and BT minister, Priyank Kharge said that the AVGC-XR Policy Document serves as a blueprint for establishing Karnataka as a global leader in these technologically advanced and creatively rich sectors.

"Through meticulous



planning, strategic alliances, and a focus on sustainable growth and innovation, we are committed to shaping a future where Karnataka not only retains its pole position in the traditional IT-BPM sector but also emerges as a powerhouse in the global AVGC-XR landscape," he said.

In his address, higher education minister, Dr M. C. Sudhakar assured that the state government would consider creativity as an important skill to be incorporated in the state education policy.

Adding further Kharge said "Skilling is the only way to stay abreast with rapidly evolving jobs in the market. Our intention with DAC will always be to bridge the industry-academia gap in the sector. We will ensure more qualified trained facility across all centers. And create new and better opportunities for our students."

The new policy outlines that investment in the AVGC-XR sector has been robust, with financial backing coming from a diverse set of stakeholders including venture capitalists, angel investors, and government bodies. This financial support has fueled R&D initiatives, enabling the development of cutting-edge technologies and techniques. In return, these advancements have made the sector increasingly lucrative, attracting even more investment in a virtuous cycle of growth and innovation, the policy added.

Consumer behavior has also played a pivotal role in the sector's growth. The widespread adoption of smartphones and the popularity of Over-The-Top (OTT) platforms have created a large and growing audience hungry for high-quality, immersive experiences.

This consumer demand has, in turn, exerted pressure on content providers to continually upgrade their game, leading to a cycle of mutual reinforcement that benefits both consumers and producers. In India, the potential for the AVGC-XR sector is especially promising.

The policy also identifies need of establishing Centers of Excellence and innovation hubs across the state with an aim to create a collaborative environment involving academia, the private sector, and governmental agencies. They will serve as focal points for skill development, fostering innovation, and translating research into market-ready

products and services, the policy states.

Additionally, this document lays down a robust policy framework designed to accelerate growth in the AVGC-XR sectors. It includes a range of fiscal incentives, a streamlined regulatory environment, and the development of cutting-edge infrastructure. The objective is to provide a nurturing and enabling setting that allows both startups and established companies to flourish, ensuring that Karnataka becomes a prime destination for investments in these sectors.

According to the policy the Animation & VFX industry is projected to grow at a CAGR of 10.94% over the next half decade, while the Gaming industry trails closely behind with a projected CAGR of 9.64%.

"Given these trends, financial projections are equally optimistic. Based on current rates, the Animation and VFX segment is expected to reach approximately \$282.3 billion by FY26 and further expand to around \$427.7 billion by FY30. On the other hand, the gaming industry is anticipated to grow to \$314.4 billion by FY26 and escalate to an impressive \$454.3 billion by FY30. This brings the total estimated value of the global AVGC market to about \$596.7 billion by FY26 and a staggering \$882 billion by FY30," the policy claims. With global AVGC market is not only large but also growing at an impressive pace, opening avenues for new entrants and providing existing players with opportunities to expand and innovate.

The increasingly digital nature of global entertainment consumption, coupled with innovations in hardware and software, suggests that the sector is well-positioned for sustained long-term growth. As such, for investors, entrepreneurs, and governments alike, the AVGC sector represents a promising area for focus and investment.

When it comes to the Animation, Visual Effects, Gaming, and Comics (AVGC) sector, India holds a position of untapped potential, currently accounting for less than 1% of the global market. However, a limitation but as an expansive space for growth. Governmental forecasts suggest that with appropriate interventions, India could secure up to 3% of the global market by FY30. This would mean that the Indian

AVGC market could balloon to a sizeable \$26 billion, the policy notes.

The fiscal data elaborates on this potential more concretely. In FY21, the Indian Animation and VFX sector was valued at approximately \$1.13 billion, and the gaming sector stood at about \$1.9 billion. These figures are projected to multiply, reaching around \$4.2 billion for Animation and VFX and approximately \$4.7 billion for gaming by FY26. By FY30, the numbers look even more promising: \$13.1 billion in Animation and VFX, and \$13.3 billion in gaming, aggregating to \$26.4 billion across the AVGC sector, the policy estimates.

In terms of investment and employment, the Indian market is already showing robust dynamics. From 2014 to 2020, Indian gaming startups attracted \$350 million in venture capital funding, and the sector is growing at an impressive CAGR of 22%. The sector's employment statistics further underline its growth potential.

While 180,000 professionals are currently employed in the AVGC sector, projections estimate that another 2 million jobs will be added by 2030. In conclusion, India's AVGC sector is a hotbed of untapped potential.

Karnataka, recognized as India's IT hub, is also carving out a leadership position in the Animation, Visual Effects, Gaming, Comics, and Extended Reality (AVGC-XR) sector.

With a robust 20% share of the Indian Media & Entertainment industry, the state hosts over 300 specialized AVGC studios and has a professional workforce exceeding 15,000, providing a strong base for industry growth.

Karnataka is home to 5 institutes dedicated to animation, 3 for visual effects, and 12 focused on gaming. These educational establishments make up a significant fraction of India's 139 institutes in these specialized fields, creating a fertile training ground for future industry leaders. The state has also setup Digital Art Centres in 27 colleges catering to 400 students and 1 AVGC Finishing School with 842 students trained. The state has not only established India's first AVGC Centre of Excellence, but it has also launched a dedicated AVGC Fund, already investing in two groundbreaking startups. These moves demonstrate Karnataka's commitment to accelerating growth in this sector.

Key challenges faced by AVGC sector

Talent Gap and Skill Development: One of the major challenges facing the AVGC-XR industry in both India and Karnataka is the acute shortage of qualified and skilled professionals. Even though educational institutions have mushroomed, the quality of education in the relevant skills like animation, game design, and visual effects is often sub-par. The curriculum in many of these institutions is outdated and not in sync with the needs of the industry, leading to a significant talent gap.

Lack of Funding and Investment: Funding represents another significant challenge for the sector, especially for startups and smaller enterprises. Although Karnataka has taken a step in the right direction with its dedicated AVGC Fund, such initiatives are far from commonplace in India. The lack of financial backing hampers innovation, scalability, and the ability of these companies to compete globally.



Regulatory Hurdles: Regulations in India around media and entertainment can often be tricky to navigate and may present challenges, especially for the gaming and extended reality segments. Censorship rules and intellectual property rights are still areas that require significant improvement for the sector to thrive.

Dependency on Outsourced Projects: A large chunk of the revenue for the AVGC-XR sector in India comes from outsourced projects from countries like the USA and UK. This dependency makes the sector vulnerable to economic fluctuations in these countries and can have a cascading impact on the Indian market.

Vision



Global Leadership in Innovation: Strive to make Karnataka a leader in emerging technologies such as AI, AR/VR, and blockchain within the AVGC sector.

Global Talent Hub: Transform Karnataka into a Centre of Excellence for AVGC related skills, attracting students and professionals to Karnataka for education and career development in this sector.

Decentralization: Establish emerging clusters, in addition to Bengaluru, as hubs for AVGC, to distribute economic benefits more evenly across the state.

Sustainability & Inclusion: Incorporate sustainability and inclusivity in the AVGC industry by 2028. Embed ESG (Environmental, Social, Governance) criteria into the AVGC sector's operational ethos.

Intellectual Property Protection: Establish Karnataka as a pioneering state in IPP within the AVGC sector with robust legislative frameworks, cutting-edge technological safeguards to deter piracy, thereby fostering a secure and thriving ecosystem for creators, investors and consumers.

Empowering India's Cultural Legacy: Position India as a global leader in the AVGC sector by harnessing and amplifying the country's rich cultural heritage and developing immersive experiences which authentically represent India's diverse traditions, stories, art forms, elevating them to international acclaim and fostering cultural exchange.

Goals

Company Growth: Facilitate the establishment and growth of at least 200 AVGC companies, including 50 that are particularly innovative or high-profile.

Digital Transformation: By 2028, achieve a 30% reduction in operational efficiencies, a 20% boost in creative output, and a 25% expansion in digital marketing reach in the AVGC sector, enabled by targeted investments in digital infrastructure, skill building programs, and regulatory

reforms. **Education, Training & Employment:** Create awareness among youth about the opportunities encompassing both education and employment prospects within the AVGC sector and Create 30,000 new, high-quality jobs in the sector by 2028, with a focus on roles requiring specialized skills in emerging technologies. Partner with 200 or more educational institutions and industry, including MOOC platforms, to train at least 50,000 individuals in AVGC-specific and standardized skills. **Export Growth:** Aim for exports to constitute at least 80% of the sector's total revenue, thereby also positively impacting the state's balance of trade.



A death knell for Shimla

In hiding behind a technicality, the Supreme Court has done immeasurable damage, argues **Avay Shukla**

When the epitaph of Shimla is written in the not too distant future, as is inevitable, it will be recorded that its death warrant was issued on 11 January 2024, when the Supreme Court gave the green signal to the Shimla Development Plan 41 (SDP41). The apex court chose to go by legal technicalities and assurances given by the Himachal government (then ruled by the BJP) rather than on the merits of the case, ignoring in the process both ground realities and the opinions of any number of experts and environmentalists. Some background first to put the matter in perspective.

In November 2017, acting on a PIL (public interest litigation) by a concerned citizen regarding the rapidly deteriorating environmental conditions in Shimla, the National Green Tribunal (NGT) had imposed severe restrictions on future construction in the city, including a ban on any new construction in the vital core and heritage zones and in the 17 thickly forested Green Belts; it restricted buildings in the Belts to the town to two-and-a-half storeys.

It did so on the evidence of rampant violations of the town's Interim Development Plan, destruction of green cover, the seismic vulnerability of the city, unrestrained building activity on steep slopes, the risks to citizens, and the government's repeatedly demonstrated inability/ unwillingness to control these activities.

The state government filed an appeal in the HP High Court, but it did not get a stay on the NGT's order. Environmentalists and older residents of Shimla heaved a sigh of relief, hoping that now at least this once-lovely town had been given a chance to recover from the shortsighted 'development' inflicted on it over decades.

But these hopes were dashed when the government suddenly published a draft of a new Shimla Development Plan 41 (SDP41) in June 2022. This document, probably the most suicidal decree by any government in the past 40 years, overturned every direction of the NGT and practically threw it in the wastebin. Purportedly a blueprint for Shimla for 2041, it provided for, in brief:

- Tripling the population of Shimla to 700,000 by 2040
- Opening for construction the 17 Green Belts, consisting of 400 hectares of the only remaining green cover in the town
- Permitting construction in the Core and Heritage zones
- Allowing buildings up to five storeys in the remaining zones, in place of the existing 2.5+1
- A vision of going 'vertical' in pursuit of its expansion plan

This blueprint failed to take into account, or deliberately ignored, the seismic vulnerability of the city, its depleted green cover, the lack of space or open areas, the

geographical limitations on building more roads, the lack of parking space, and the effect of the increased traffic volume that any expansion would entail, the existing constraints in ensuring supply of basic needs like power, water and garbage disposal systems.

The draft SDP41 was immediately challenged by one Ms Minocha in the NGT as violating the NGT order of 2017, which struck it down. The state government predictably filed another appeal, this time in the Supreme Court, which first allowed the state to notify the SDP but not implement it for one month (does this make any sense?) and, finally on 11 January 2024, set aside both the NGT orders and declared the Plan legally valid.

It did so, not on merit (which the NGT had considered at length) but on a technicality and a brief, prima facie overview of the SDP, supported by platitudes that sound lofty but are not convincing. It did not go into a detailed examination of the points made by either the petitioners or the NGT.

For instance, the Court held that the NGT had, *in usurping legislative functions by blocking the SDP, indulged in judicial overreach and ignored the doctrine of separation of powers* (for brevity, the italicised text paraphrases the SC verdict). This ad hominem argument evades the real issue and seeks to hide behind a thicket of legalese. The NGT is a statutory body tasked with protecting the natural environment and enforcing the rights of citizens to a healthy, unpolluted, safe life. These rights are, in fact, an extension of the fundamental right to life, as the SC itself has stated on many occasions. What I am stressing here is that judicial interpretation should keep in mind the merits of a case and the public cause, which has not been done in this case.

The Court held, again to paraphrase, that *statutory plans, once formulated, should not be altered by judicial bodies unless there is a constitutional basis to question their constitutionality or legality*. Fact: SDP41 was a blatant violation of the NGT order of 2017, which had not been stayed by any higher court. Therefore, the Plan was certainly invalid legally, if not a contempt of the court itself.

The Court also emphasised *the need to balance development with environmental protection*. This is pure lip-service platitude that exposes the court's unwillingness to examine the merits of the case. It is astonishing how the Supreme Court simply ignored the mountain of evidence that proves that the SDP shall only make a bad situation worse for Shimla.

A recent SDMA (State Disaster Management Authority) report notes that landslides in HP have gone up three times in just the past three years and are attributable to over-construction and inadequate drainage.

The report of an expert committee appointed by the NGT in 2017, consisting of technical experts from the NDMA, MoEF,



The ravaged slopes of Shimla—a sign of worse to come

NEERI, Wadia Institute, among others, had observed/ recommended, inter alia:

- Shimla is in seismic zone IV; 85 per cent of its area lies in landslide-prone areas; most construction is on unstable slopes of 45° to 75°; only 20 per cent buildings meet the standards of earthquake-proof construction
- Shimla exceeded its carrying capacity long ago and needs to be decongested
- No construction should be allowed in the Green Belts, Core and Heritage areas and more areas should be brought under the No Construction restriction
- The existing 17 Green Belts should be expanded and more area brought under forest cover

To these recommendations one must add:

- Shimla has no capacity to absorb any more vehicular traffic—it has about 100,000 vehicles of its own and 10,000–20,000 enter it every day in tourist season
- There are 17,000 illegal buildings in town, almost all of which the new SDP will regularise

- The town's majestic deodars are dying of vehicular pollution, construction dust and other anthropogenic activity. Hundreds are felled every year on some pretext or other, but mainly to make way for more buildings and/ or roads. Without these trees, Shimla will just be seven huge rocks.
- If any more proof was needed, the rains of 2023 provided it.

Surely this indisputable mass of evidence should have persuaded the apex court to not stand on technicalities, and see the massive potential for disaster the SDP41 contains.

Larger public interest demanded further interrogation, and, while staying the SDP41, the court could have remanded the matter to the high court for a more detailed examination on merits.

Its death is disappointing to say the least and a death warrant for Shimla and its residents. This once-beautiful, historic town certainly deserved better. ■

AVAY SHUKLA is a retired IAS officer of the Himachal Pradesh cadre. For a more detailed rebuttal of the apex court order, read a fuller version of this piece at avayshukla.blogspot.com

An expert committee appointed by the NGT in 2017 observed that Shimla had exceeded its carrying capacity long ago and needed to be decongested

Revealing their true colours

What Jana Sangh manifestos tell us about the current-day policies of the BJP

Aakar Patel

On its website, the BJP says, 'The philosophy of Integral Humanism looks at the individual not merely as a material object but one who has a spiritual dimension. It talks of integral approach to economic development that has individual at its core that is linked to the family, the society and the nation.'

What do these words mean? What does a government and political party have to do with the 'spiritual dimension' and, even if there is a link, how can this spiritual dimension be leveraged by the state? How are

these words reflected in the BJP's manifesto or in the BJP's budgets through actionable policies? If they are, in what way are they missing from the policies of other parties?

Let us have a look at the manifestos of the BJP/ Jana Sangh, which were published by the party a few years ago. It may surprise readers to know that there is little or no continuity in the way that the party thinks; in fact, on critical issues, it has reversed its position with no explanation.

In its 1954 manifesto, and again in 1971, the Jana Sangh resolved to limit the maximum income of all Indian citizens to Rs 2,000 per month and the minimum to Rs 100, maintaining a 20:1 ratio. It would

continue working on reducing this gap till it reached 10:1 which was the ideal ratio; the income of all Indians, based on their position, would have to be within this range. Additional income earned by individuals over this limit would be appropriated by the State for development needs 'through contribution, taxation, compulsory loans and investment'.

The party would also limit the size of residential houses in cities and not allow plots of more than 1,000 square yards i.e. 9,000 square feet (someone should tell the Ambanis and Adanis this). Tractors were to be used 'only to break virgin soil. Their use for normal ploughing purposes will be

discouraged'. This was, of course, because the party was trying to protect the bull and the ox from slaughter. In its 1951 manifesto, prohibition of cow slaughter was explained as something needed 'to make the cow an economic unit of agricultural life'. In 1954, the text was more religious and called cow protection a 'pious duty'.

The party that champions a uniform civil code today has consistently opposed divorce and nuclear families. Its 1957 and 1958 manifestos state that 'joint family and indissoluble marriage have been the basis of Hindu society. Laws that alter this basis will ultimately lead to the disintegration of society. Jana Sangh will therefore repeal the Hindu Marriage and Hindu Succession Acts'.

Its 1973 analysis of caste violence reveals that 'in most cases the conflict is not between Harijans and caste Hindus as such, but it is between Harijans and a set of people who are in power and who also happen to belong to upper castes'. Meaning that caste itself was not the source of the conflict.

Culturally, the party stood firmly against alcohol and sought nationwide prohibition. It wanted English to be replaced in all spheres by local languages, chiefly Hindi.

Most interestingly, the Jana Sangh said it would also repeal preventive detention laws like the Unlawful (Activities) Prevention Act (UAPA) which (it said) were in absolute contradiction to individual liberty. This promise was made repeatedly in the 1950s.

However, by 1967, it began to qualify the mandate, saying that 'care will be taken to ensure that fifth columnists and disruptionist (sic) elements are not allowed to exploit fundamental rights'. Over time, the Sangh and the BJP would become the most enthusiastic supporters of preventive detention.

In 1954, the party said it would repeal the

first amendment to the Constitution that curbed freedom of speech by imposing 'reasonable restrictions'. The list of what was seen as 'reasonable restrictions' was so expansive, it essentially took away freedom of expression. However, after 1954, the Jana Sangh's demand that the first amendment be repealed and freedom of speech, association and assembly be restored to Indians disappeared from its manifestos, again without explanation.

According to the BJP constitution, Integral Humanism is the party's 'basic philosophy'. It opposes the idea of linguistic states by saying (in Lecture 3, 24 April 1965): 'the first para of the Constitution 'India that is Bharat will be a Federation of States', i.e., Bihar Mata, Banga Mata, Punjab Mata, Kannada Mata, Tamil Mata, are all put together to make Bharatmata. This is ridiculous. We have thought of the provinces as limbs of Bharat Mata and not as individual mothers. Therefore, our Constitution should be Unitary instead of Federal'.

When was the last time we heard the BJP push for this?

The Jana Sangh was unable to express its majoritarianism as clearly and vociferously as the BJP was later able to. This was because it lacked a specific programme to mobilise anti-Muslim sentiment, such as the campaign against the Babri Masjid.

Even though the idols were snuggled into the mosque a few months before the Jana Sangh was formed, there was no reference to Ayodhya or a Ram temple in any of the Jana Sangh manifestos from 1951 to 1980.

Once power was secured, everything that the Jana Sangh claimed it stood for over the decades, including its manifestos and its 'basic philosophy', was cast aside. ■

Views are personal



Photo: Getty Images

Once power was secured, everything that the Jana Sangh claimed it stood for over the decades, including its manifestos and its 'basic philosophy', was cast aside



BHARAT JODO NYAY YATRA

NYAY KA HAQ MILNE TAK



BEST WISHES TO
RAHUL GANDHI JI
BHARAT JODO NAYAY YATRA



A. REVANTH REDDY
Chief Minister, Telangana
President, TPCC



MALLU BHATTI VIKRAMARKA
Deputy CM, Telangana

‘No one can craft a jutti like I do’



Photos: Naveen Macro



(Left) Hansraj at work; (above) the beautiful embroidered juttis made by him

Sanskriti Talwar and Naveen Macro

Hansraj tightens his grip on the coarse cotton thread. Using a sharp steel needle to guide it, the veteran shoemaker pierces the tough leather, skilfully moving the needle in and out roughly 400 times to hand-stitch a pair of Punjabi juttis (closed shoes). As he does so, his heavy sighs followed by ‘hmms’ punctuate the silence.

In the village of Rupana in Sri Muktsar Sahib district of Punjab, Hansraj is the only artisan who makes these shoes the traditional way. “Most people are unaware how a Punjabi jutti is made and who crafts it. There is a common misconception that machines make it. But from preparation to stitching, everything is done by hand,” says the 63-year-old artisan who has been in the business for nearly half a century now.

“Wherever you go, Muktsar, Malout, Gidderbaha or Patiala, no one can meticulously craft a jutti like I do,” Hansraj claims.

Every day, starting at 7 a.m., he sits on a cotton mattress on the floor near the entrance of his rented workshop. The walls are covered with a collection of Punjabi juttis for both men and women. A pair can be priced between Rs 400 and Rs 1,600. He says he earns about Rs 10,000 a month from this, with an average workday of 12 hours.

“The body aches, especially the legs,” Hansraj says, massaging his knee joints. Hansraj learnt the craft when he was around 15, he was tutored by his father. “I was more interested in exploring the outdoors. Some days I would sit down to learn, some days I would not.” But as he grew up and the pressure to work increased, so did the hours of being seated.

Speaking in a mix of Punjabi and Hindi he says, “This work needs *bariki* (precision).” Hansraj

has been working without glasses for years, but now, he says, he has started noticing changes in his eyesight. “If I work for many hours, my eyes feel the strain. I see two of everything.”

During a regular workday, he drinks tea and listens to the news, songs and cricket commentary on his radio. Old Hindi and Punjabi songs are his favourite.

Hansraj has never been to school, but finds great joy in exploring new places beyond his village, especially with his friend, a holy man in the neighbouring village. “Every year we take a trip. He has his own car, and he often invites me to join him on his travels.”

It is well past 4 p.m., and Rupana village is bathed in the warm glow of a lingering mid-November sun. One of Hansraj’s loyal customers has arrived with a friend to pick up a pair of Punjabi juttis. “Could you also make a pair for him by tomorrow?” the customer asks. The friend has come from far away—Tohana in Haryana—175 kilometres from here.

Hansraj smiles, responding to the customer’s request with a friendly, “*Yaar*, it is not possible by tomorrow.” The customer, however, is persistent. He then turns to us saying, “There are thousands of jutti shops in the city. But here in Rupana, it is only he (Hansraj) who crafts them by hand. We are familiar with his work.”

The customer tells us that up until Diwali, the entire shop was filled with juttis. A month later in November, only 14 pairs remain. What makes Hansraj’s juttis so special? “The ones he makes are flatter in the middle,” the customer says, “The difference lies in the hands [of the craftsperson].”

Hansraj doesn’t work alone. He gets some of the juttis stitched by Santram, a skilled shoemaker in his native village, Khunan Khurd, 12 kms away. During Diwali or the paddy season, when the demand is high, he outsources his work, paying Rs 80 for stitching a pair.

The master shoemaker tells us the difference between a craftsman and a workman: “I always start by stitching the *panna* (upper portion)

of the jutti from the tip of the sole. This is the most challenging phase of crafting juttis. The person who manages to do this right is a *mistri* (craftsman), others are not.”

“Initially, I was not good at stitching shoes with thread,” Hansraj recalls. “But when I committed to learning it, I mastered it in two months. The rest I picked up over time, first by asking my father, and later by observing him,” he adds.

Over the years, he has innovated a technique of stitching small strips of leather on both sides of the jutti, seamlessly connecting all the joints. “These small strips add strength to the shoes,” he explains.

Hansraj and his family of four—his wife Veerpal Kaur, their two sons and a daughter—relocated from Khunan Khurd to Rupana some 18 years ago. At that time, their eldest son, who is 36 now, began working at the paper mill in the village here.

“It was mostly [Dalit] families who made juttis in Khunan Khurd, working from their homes. As time

passed, the new generation didn’t learn the craft. And those who knew, passed away,” says Hansraj. Today, in his old village, only three craftsmen—all from his community of Ramdasi Chamars (listed as Scheduled Caste in the state)—are still engaged in the art of handcrafting Punjabi juttis while Hansraj is the only one in Rupana.

“We saw no future for our children in Khunan Khurd, so we sold our property there and bought one here,” Veerpal Kaur says, her voice a mix of determination and hope. She speaks fluent Hindi, a result of the diversity in the neighbourhood which is populated by migrants from Uttar Pradesh and Bihar, many of whom work in the paper mill and live in rented rooms in the vicinity.

“When I started, a pair only cost Rs 30. Now a fully embroidered jutti can cost over Rs 2,500,” Hansraj recounts. From the small and large scattered pieces of leather at his workshop, Hansraj shows us two kinds: cowhide and buffalo hide. The buffalo hide is used for the sole, and the cowhide is for the upper half of the shoes, he explains.

As he holds up the tanned cowhide, he asks if we are comfortable touching the animal skin. When we express our willingness, he goes on to observe not just the tanned leather but the contrast. The buffalo hide feels as thick as 80 paper sheets stacked together. The cowhide, on the other hand, is much thinner, maybe around 10 paper sheets. In terms of texture, the buffalo hide has a smoother and stiffer feel, while the cowhide, though slightly rougher, exhibits greater flexibility and ease of bending.

The hike in leather prices and people’s inclination towards factory-produced shoes and slippers (what he calls “boot-chappal”) has led to a fall in the number of people willing to take up this profession.

Hansraj treats his tools with great care. For shaping the jutti he uses a *lampi* (cutter) to carve and scrape the leather; a *morga* (wooden hammer) for beating it until it is stiff. The wooden hammer belonged to his father as did a deer horn which he uses to shape the tip of the shoes from inside.

The shoemaker travels to the shoe market in Jalandhar, 170 kms away from his village, to buy tanned hides. To reach the *mandi* (wholesale market), he takes a bus to Moga and another from Moga to Jalandhar. His most recent journey took place two months before Diwali when he bought 150 kg of tanned leather, valued at Rs 20,000.

Has he ever faced any trouble carrying the leather, we ask him. “The concern is more about

transporting untanned leather than the tanned one,” he clarifies. He visits the *mandi* to carefully choose the desired quality of leather, and the traders arrange for its transportation to Muktsar, from where he collects it.

Over the years, the material for making juttis has evolved and younger shoemakers like Raj Kumar and Mahinder Kumar of the Guru Ravidas colony in Malout say that materials like rexine and micro cellular sheets are now more commonly used. Raj and Mahinder, both in their early 40s, belong to the Dalit Jatav community.

“Where a micro sheet cost Rs 130 per kg, the cowhide now costs between Rs 160 and Rs 200 per kg,” says Mahinder. They say leather has become a rare commodity in the area. “Earlier, the colony was full of tanneries and the stench of untanned leather hung in the air. But as the *basti* grew, the tanneries were shut down,” says Raj.

Youngsters are no longer keen on joining the profession, they add, and low income is not the only reason. “The stench gets into our clothes,” Mahinder says, and sometimes their friends won’t shake hands with them.

“My sons never entered the shop to learn the craft. Ours is the last generation now to know the skill,” says Hansraj. As she chops vegetables for dinner, Veerpal Kaur says, “It isn’t possible to build a home by just making juttis.” Almost two years ago, the family completed the construction of a pucca house, facilitated by their eldest son’s employee loan from the paper mill.

“I had also asked her to learn embroidery, but she didn’t learn it all,” Hansraj says, teasing his wife. The two have been together for 38 years. “I wasn’t interested,” Veerpal chimes back. Based on what she learnt from her mother-in-law, she can embroider a pair in an hour at home with *zari* thread.

Their home, shared with their eldest son’s family of three, comprises two rooms, a kitchen, and a drawing room, with an outdoor toilet. Adorning the rooms and hall are photos of B.R. Ambedkar and Sant Ravidas. A similar image of the saint graces Hansraj’s workshop.

“It is in the last 10–15 years that people have started wearing juttis again,” Veerpal says. “Before that, many had also stopped asking for us shoemakers.” During that time, Hansraj worked as a farm labourer and occasionally crafted juttis within a day or two whenever a customer came by. ■

Courtesy: People’s Archive of Rural India (PARI). The full version of this article can be read at ruralindiaonline.org



(Clockwise from above) The handtools used in making the juttis; leather being embroidered; different kinds of dyed hides



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