

UPSC Syllabus Topic : GS Paper 2 Indian Polity – Statutory, regulatory and various quasi-judicial bodies.

On the recent SC Ruling in the Adani Issue

The recent Supreme Court (SC) decision regarding the Adani Group probe reaffirmed trust in the regulatory system under the Securities and Exchange Board of India (SEBI). Here's what the observations and implications are:

Observations by the Supreme Court:

- **Relying on Specialized Regulators:** The SC emphasized the inadequacy of using media reports or third-party allegations to challenge SEBI's investigation, highlighting the need for substantive evidence to question SEBI's probe.
- **Recognition of SEBI's Authority:** The court stressed the significance of recognizing SEBI's competence and authority in financial regulatory matters.

Positive Implications of the Judgment:

- **Strengthens Regulatory Framework:** Upholding SEBI's role reinforces confidence in India's regulatory framework, providing a positive signal to investors and highlighting the robustness of the system.
- **Boosts Business Environment:** The judgment contributes to fostering a fair and transparent business environment, enhancing investor trust and maintaining the integrity of Indian financial markets.
- **Clarifies SEBI's Role:** Dispelling misconceptions, it emphasizes that SEBI's collaboration with industry stakeholders isn't a weakness but a commitment to understanding industry dynamics and promoting innovation.
- **Protects Businesses:** It helps shield Indian industrial conglomerates from unfair attacks by lobbies, both domestic and international.

Way Forward for Regulators:

- **Enhanced Information Exchange:** Regulators should promote information sharing among themselves.
- **Adopting Global Practices:** Researching and incorporating global market mechanisms and supervisory tools.
- **Focus on Compliance and Disclosure:** Encouraging compliance and transparent disclosure practices.
- **Setting Global Standards:** Leveraging independence to establish global benchmarks in regulation and supervision.
- **Ensuring Transparency and Accountability:** Maintaining strict adherence to regulatory standards for a transparent financial landscape.

The author sees this SC judgment as beneficial for broader market stability, safeguarding the interests of minority shareholders reliant on SEBI's oversight of stock markets.

UPSC Syllabus Topic : GS Paper 2 Social Justice – Issues relating to Education.

On Higher Education

The status of graduate unemployment in India has become a growing concern:

Graduate Unemployment Status:

- **Rising Unemployment Rates:** Among graduates, the unemployment rate has surged from 20% in 2012 to 34% in 2021. Postgraduates have also experienced a notable increase, doubling from 18% in 2012 to nearly 37%.
- **Employability Challenges:** Reports indicate that less than half of India's graduates were deemed employable in 2021.
- **Low Female Labour Force Participation:** India's female labour force participation remains among the lowest globally.

Issues in the Education System Contributing to Unemployment:

- **Quality Decline in Higher Education:** The proliferation of private colleges, ITIs, and polytechnic institutions has led to diminished quality due to insufficient regulation.
- **Limited Higher Education Access:** A large proportion of the youth lack access to higher education, with enrolment rates around 27% for 18-23 year-olds.
- **Online Learning Challenges:** Deficiencies in online learning have impacted students' knowledge acquisition and employability.

Other Factors Contributing to Unemployment:

- **Job Creation Deficit:** Insufficient job creation in the economy adds to unemployment challenges.
- **Sector-specific Issues:** Agriculture remains underdeveloped in technology, rendering it less attractive for graduates. Service sector jobs demand high knowledge, which might not align with available skills.

Structural Problems in Higher Education:

- **Low R&D Spending:** India's R&D expenditure is a mere 0.7% of GDP, significantly lower than countries like Korea (4%).
- **Limited Private Sector R&D Participation:** The private sector contributes a small portion of R&D expenditure in India compared to global standards.
- **Research Funding Distribution Issues:** Majority of public research funding is directed towards specific institutions, hindering translation of research into usable products.
- **Equity Concerns:** Social equity issues persist in higher education, with underrepresentation of marginalized communities.
- **Issues with National Education Policy (NEP):** Implementation challenges and discrepancies have hindered substantial change in the education system.

Recommendations for Improvement:

- **Innovation Conversion:** Establish institutions focused on converting research into practical products and processes.
- **Increased University Funding:** Amplify funding for universities, encouraging greater participation from private industry.
- **Vocational Training Emphasis:** Redirect students towards vocational training after Class 10 and Class 12 to enhance employability.

Addressing these structural issues by transforming research into tangible products, boosting funding for universities, and emphasizing vocational training could alleviate unemployment challenges and enhance the effectiveness of India's education system.

UPSC Syllabus Topic : GS Paper 2 Governance – The role of NGOs, SHGs, various groups and associations, donors, charities, institutional and other stakeholders.

Understanding the Assault on Civil Society in India

Defining Civil Society Civil society encompasses a diverse range of groups, including NGOs, unions, religious bodies, and charities, operating independently of the government. These groups advocate for social causes, address grievances, and support marginalized sections of society, crucial for a healthy democratic framework.

Attacks on Civil Society

1. **Highly Targeted Organizations:** Entities actively combating communalism face severe crackdowns. Leaders are detained, and funding sources dried up, affecting organizations like **Citizens for Justice and Peace (CJP)**, Amnesty India, and Oxfam.
2. **Moderate Level Attacks:** Organizations engaging with Adivasi rights and mining issues face challenges, leading to operational limitations. Bodies such as Centre for Policy Research (CPR) and anti-communal NGOs like ANHAD encounter considerable pressure.
3. **Low-Level Suppression:** Groups working on significant human rights causes but not actively anti-communal witness interference. Organizations like Navsarjan, focused on Dalit rights, and Save The Children working on child rights, experience subtle obstructions.

Instruments Employed Against Civil Society

1. **Legal Charges:** Utilization of laws like the Prevention of Money Laundering Act and the FCRA allows authorities to bring penal charges against NGOs. Amendments in 2019 and 2020 under FCRA constrained foreign funding for thousands of NGOs, enabling investigations by agencies like the Enforcement Directorate (ED) and the CBI.
2. **Restrictions on Domestic Funding:** Recent amendments in the Income-Tax Act enforce stringent conditions for tax exemptions, mandating frequent renewals and sharing donor data with the Ministry of Finance. This places domestic donors at risk of state intimidation.
3. **Income-Tax Surveys:** Tax surveys serve as a tool to gather information that might lead to further investigations or cases by tax and investigative departments, increasing scrutiny on civil society groups.

Impact and Concerns The systematic use of these instruments erodes the fundamental democratic space of civil society. It poses a grave threat to India's democratic fabric, jeopardizing the critical role civil society plays in upholding human rights, social justice, and equitable development. In essence, the relentless assault on civil society in India undermines the core principles of democracy, stifling dissent, and jeopardizing the invaluable contribution of these organizations toward a just and inclusive society.