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● POLITY ● ECONOMICS ● TECHNOLOGY ● ECOLOGY

INFLATION SLIPS TO AN 18-MONTH LOW OF 4.7%

India's retail inflation slid to an 18-month low of 4.7% in April, staying below the Reserve Bank of India's 6% tolerance threshold for price rise for the second successive month, aided by the base effects from last April when it had hit an eight-year high of 7.8%.

Price rise faced by urban consumers cooled to 4.85% in April from 5.9% in March, while it moderated from 5.5% to 4.7% for their rural counterparts. Inflation as per the consumer food price index eased to 3.84% last month from 4.8% in March.

Economists emphasised that the base effects from April 2022 were visible in cooling inflation across all broad segments. However, higher inflation in pulses, personal care products as well as persistent sharp upticks in prices of items such as cereals and milk pose a worry even as vegetable prices are expected to see a seasonal surge.

On a sequential basis, the consumer price index (CPI) grew 0.5% while food prices rose 0.6% from March levels, double the month-on-month rise from February to March, when the headline retail inflation on a year-on-year basis was pegged at 5.66%.

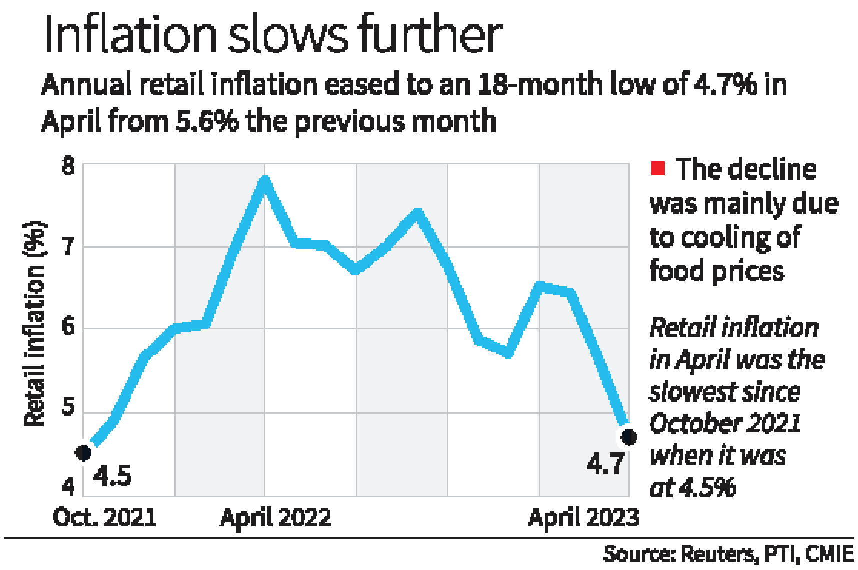
While vegetable prices continued to fall year-on-year, dropping 6.5% in April, they were up 1.8% over March 2023 prices.

Edible oils and fats' prices witnessed deflation for the third successive month, falling a sharp 12.33% from April 2022, when the immediate aftermath of the Russia-Ukraine conflict had led to a global supply shock.

"The 4.7% inflation print in April not only benefited from the high base but also the cooler than normal temperatures last month, which delayed the seasonal rise in prices of perishable items and helped keep prices of some vegetables under check," said Aditi Nayar, chief economist at ICRA.

Milk and milk products' inflation eased only marginally from 9.3% in March to 8.85% in April, as was the case for cereals (down from 15.3% in March to 13.7% in April), and spices that cooled slightly from 18.2% to 17.4% in April.

"The sequential price momentum in items like milk and pulses remains a concern," said CARE Ratings chief economist Rajani Sinha, who expects retail inflation to remain below 5% till June and average 5.1% for 2023-24. "Weather-related disruptions could be the main threat to food inflation and the overall CPI inflation," she reckoned.



Reading stays below RBI's 6% tolerance threshold for price rise; it hit a high of 7.8% last April; prices of pulses, cereals, milk remain a concern

Bank of Baroda chief economist Madan Sabnavis said price pressures were visible in pulses as well, whose inflation rose to 5.3% in April from 4.3% in March.

"As traders wait for the new crop in October, there will be pressure on prices and inflation will be on the higher side till then. The monsoon prospects are critical here as pulses are vulnerable given limited access to irrigation," he noted.

There was a consensus among economists that the central bank would continue its pause on interest rate hikes, emboldened by the moderation in headline inflation, but rate cuts remain unlikely amid worries about the monsoon and the kharif crop.

HINDENBURG CASE: SC MAY GIVE 3 MONTHS TO SEBI TO FINISH PROBE

The Supreme Court on Friday said it will use the weekend to pore over the report submitted by an expert committee led by its former judge, Justice Abhay Manohar Sapre, on Hindenburg Foundation's allegations of manipulation of share prices and fraud against the Adani Group before taking a call on a request by the Securities and Exchange Board (SEBI) to grant it a "minimum" of six months to complete its investigation.

"We have received Justice Sapre's report in the Registry. We did not have the time to read it. We will read it during the weekend and list your [SEBI] application for Monday," a three-judge Bench headed by Chief Justice of India D.Y. Chandrachud addressed Solicitor-General Tushar Mehta and advocate Pratap Venugopal, representing SEBI.

But the Bench clearly indicated its disagreement with the SEBI's plea for a six-month extension. "There should be some alacrity on your part… We are thinking of giving you another three months. We cannot agree with you when you say a 'minimum' of six months... put a team together," CJI Chandrachud told Mr. Mehta.

The Solicitor-General said SEBI was "compressing" the time required to six months. He hinted that the investigation may extend overseas. "We will need a minimum of six months to reach any conclusion, considering the inquiry may go out," Mr. Mehta submitted.

Advocate Prashant Bhushan, for the petitioners, said SEBI had been investigating since 2017, for the past six years. However, Mr. Mehta countered that Mr. Bhushan was referring to an unconnected issue.

Mr. Bhushan said the market regulator ought to at least come clean and disclose to the Supreme Court "what they have done so far". But the Bench, also comprising Justices P.S. Narasimha and J.B. Pardiwala, said such a disclosure may not be proper at this stage. "But we agree with you that they cannot go on indefinitely," Chief Justice Chandrachud said. "We will go through Justice Sapre's report and come back on Monday. We will pronounce further orders on Monday in this case," the Chief Justice said.

On March 2, the top court formed the expert committee headed by Justice Sapre to investigate the causal factors and existence, if any, of regulatory failure which led to investors losing crores due to the volatility in the securities market following Hindenburg Research's report accusing the Adani Group of "brazen stock manipulation and accounting fraud schemes over the course of decades". SEBI and other agencies were directed by the court to cooperate with the committee and provide it with all "material and requisite information". SEBI, at the time, was already investigating the Hindenburg report. However, the SEBI's application for extension of time by six months said that "where prima facie violations have been found, a period of six months would be required to arrive at conclusive finding".

WELCOME INITIATIVE

AYUSH collaboration with ICMR for scientific validation is right step

In a welcome move, the Ministry of AYUSH and ICMR have at last joined hands to undertake quality human clinical trials to generate evidence on the benefits of using ayurveda along with modern medicine (evidence-based medicine) in treating certain disease conditions of national importance. With its decades of experience in conducting human clinical trials, it makes eminent sense to rope in the ICMR to design and conduct these trials. To begin with, the collaboration will be restricted to ayurveda. The other systems of AYUSH — yoga, unani, siddha and homoeopathy — may be included, and each system will be tested together with modern medicine when the central councils of the respective AYUSH systems are ready to work with the ICMR. An expert committee will soon decide the area/disease conditions to be included for detailed clinical testing using both ayurveda and modern medicine. Initially, clinical trials for each disease may have two arms — modern medicine as the standard of care as well as a combination of modern medicine and ayurveda. The arm that uses both ayurveda and modern medicine will, if at all, only be able to validate the superiority of combining the two for better outcomes. Scientific validation of superior outcomes of combined therapy using ayurveda and modern medicine will form the basis on which integrated medicine will be offered to patients. Encouraging trial outcomes might probably serve as a starting point to undertake further trials using ayurveda interventions alone to evaluate their effectiveness and understand the mechanism of action; this is currently not within the ambit of the agreement.

While the initiative may right away not provide scientific validation of ayurveda interventions in treating disease conditions when used singularly, it is the first major step in evidence-based approach of validating medical interventions. Though trials using ayurveda and other systems of AYUSH have been conducted in the country, they suffer from major limitations, thus making the outcomes meaningless. The ICMR's expertise is sure to help in overcoming the major obstacle in scientific validation, which all systems of AYUSH currently suffer from. Evidence, as the practitioners of AYUSH refer to, is nothing but anecdotal, which is not an alternative to evidence-based approach. Lack of scientific validation, as a stand-alone intervention or as adjunct to modern medicine, has been the bane of alternative medicine in India. No sincere, large-scale attempts have been made to address this serious shortcoming. The collaboration with the ICMR is, therefore, a step in the right direction.

SC TELLS COURTS NOT TO RELY ON APRIL 26 ORDER ON DEFAULT BAIL

Top court says default bail pleas can be decided independent of the Ritu Chhabaria judgment, which upheld it as a fundamental right of accused persons; Centre yet to file review petition

The Supreme Court, in a rather unusual order on Friday, directed lower courts to decide pending default bail applications without relying on its own judgment of April 26.

A judgment of the Supreme Court is considered the law of the land. Article 141 of the Constitution provides that the law declared by the Supreme Court shall be binding on all courts within India.

The April 26 judgment in Ritu Chhabaria versus Union of India held that the Central agencies cannot deny accused persons their right to default bail by filing multiple supplementary chargesheets and seeking renewed custody.

The judgment held that "the right of default bail under Section 167(2) of the Criminal Procedure Code (CrPC) is not merely a statutory right, but a fundamental right that flows from Article 21 of the Constitution" to protect accused persons from the "unfettered and arbitrary power of the State".

According to Section 167(2) of the CrPC, an accused is entitled to default bail if the investigating agency fails to file a final chargesheet within 60 days from the date of remand. For certain categories of offences, the stipulated period can be extended to 90 days.

The April judgment, delivered by a Division Bench led by Justice Krishna Murari, came in a petition by Ritu Chhabaria, whose husband, Sanjay, was named in a corruption case. The CBI, which arrested him in April 2022, got his custody renewed from time to time by filing multiple supplementary chargesheets. He was never released on default bail.

Recall of order sought

Following the judgment, the government, through the Enforcement Directorate (ED), moved an urgent application in the top court to "recall" the Ritu Chhabaria judgment. The ED argued that the judgment contradicted the Supreme Court's own past verdicts. The Central agency backed the recall application by separately filing an appeal against the default bail granted by the Delhi High Court to Manpreet Singh Talwar, an accused in a money laundering case who relied on the Ritu Chhabaria verdict. The ED argued that the April 26 judgment would not apply to special laws like the Prevention of Money Laundering Act.

On May 1, a Division Bench led by Chief Justice of India D.Y. Chandrachud directed courts to "defer" any decision on default bail pleas filed on the strength of the Ritu Chhabaria judgment. On May 4, the court extended its interim order to May 12.

When the case came up on Friday, senior advocate Siddharth Luthra informed a three-judge Bench led by Chief Justice Chandrachud that the May 1 order was "curtailing the rights" of undertrial prisoners seeking default bail.

Chief Justice Chandrachud clarified that the May 1 order had not prevented courts from deciding default bail pleas "independent of the Ritu Chhabaria judgment".

"We clarify that the interim order of this court on May 1, 2023 shall not preclude any trial court/High Court from considering an application for grant of default bail under Section 167(2) CrPC independent of and without relying on the judgment of April 26, 2023 [Ritu Chhabaria case]," the top court said.

The government is yet to file a review petition against the April 26 judgment.

A recent statement issued by lawyers' NGO, Campaign for Judicial

Accountability and Reform (CJAR), led by advocate Prashant Bhushan, had asked why the government chose to file a recall application instead of a review petition against the judgment. It urged the Chief Justice's Bench to suo motu withdraw its May 1 and May 4 orders.

MANUFACTURING, ELECTRICITY OUTPUT DRAG IIP GROWTH TO A 5-MONTH LOW

Industrial output growth slid to a five-month low of 1.1% in March, slowing sharply from February's 5.8% as electricity, consumer durables and non-durables recorded contractions from a year earlier, and manufacturing expanded just 0.5%.

Mining output grew 6.8% in March, while capital goods and infrastructure goods production rose 8.1% and 5.4%, respectively. Primary goods' output growth, however, more than halved sequentially, from 6.9% in February to 3.3% in March.

Electricity generation contracted 1.6%, marking the first decline in at least a year. The dip in power output followed three months of 10%-plus growth through January and an 8.2% uptick in February.

Flagging consumption

Consumer durables' output shrank for the fourth month in a row, contracting 8.4%. For fiscal 2022-23, industrial production grew 5.1%, slowing from FY22's 11.4% pace. Electricity generation rose 8.9% in the year with mining and manufacturing, rising 5.8% and 4.5%, respectively.

"IIP growth of 1.1%... is a major disappointment as we had expected a better number of 3.5%," said Madan Sabnavis, chief economist at Bank of Baroda.

"The usual year-end phenomenon of production being ramped up in March did not happen this time. The IIP numbers also don't gel with the Purchasing Managers' Index (PMI) indicators, so we need to view the PMI readings with caution," he emphasised.

Momentum weakens

Industrial production growth skidded to the slowest pace in five months as manufacturing weakness weighed on overall output

- **Manufacturing output expanded 0.5% in the final month of the last fiscal year**
- **Electricity generation shrank 1.6%, the first decline in at least a year**
- **Consumer durables' output shrank for the fourth month in a row, contracting 8.4%**

Industrial production expanded 1.1% in March, braking sharply from February's 5.8% pace as power, consumer durables and non-durables posted year-on-year contractions; factory output growth moderated to 5.1% in FY23, from 11.4% a year earlier

RISK OF U.S. DEFAULT ADDS TO SLOWING GLOBAL ECONOMY'S WOES: MALPASS

The risk of a U.S. default is adding to problems facing the slowing global economy, with rising interest rates and high debt levels already choking back investments needed to fuel higher output, World Bank President David Malpass said on Friday.

Group of Seven (G7) finance officials meeting in Japan discussed the "very high importance" of raising the U.S. debt limit and averting the negative repercussions of a potential default on U.S. government debt for the first time ever.

'Negative for everyone'

"Clearly, distress in the world's biggest economy would be negative for everyone," he told Reuters on the sidelines of the G7 meeting. "The repercussions would be bad to not get it done."

U.S. Treasury Secretary Janet Yellen on Friday reiterated that failure by Congress to raise the $31.4 trillion debt limit would result in economic and financial catastrophe, and urged the Republican-controlled House of Representatives to agree to lift the federal debt limit.

Mr. Malpass said there had been discussion during the G7 meetings about the need to boost productivity and growth, and also deal with a high debt overhang facing a growing number of countries.

Global growth was slated to fall below 2% in 2023, and could stay low for several years, he said. One of the big challenges was that advanced economies had taken on so much debt that it would take a lot of capital to service it, leaving too little investment for developing countries, he said.

"And that means a prolonged period of slow growth. That's a big worry, and especially for people in poorer countries," he said. "The world's in a stressful spot, but I think the financial systems are holding up. The big question is growth, how do you get more growth and productivity."

'Debt restructuring key'

Mr. Malpass said it was frustrating to see the slow progress on overall debt restructuring, noting how difficult it was for countries to attract investment until they had agreements in place to make their debt more sustainable.

"To actually get to these debt reductions is so important ... for poor countries that have hit the wall in terms of unsustainable debt. It's important to get it done as soon as possible."

WE AIM TO INSPIRE YOU

G7 FINANCE CHIEFS WEIGH PARING SUPPLY CHAIN RELIANCE ON CHINA

Finance leaders of the Group of Seven (G7) advanced economies discussed the need to make global supply chains more resilient by reducing over-reliance on China, German Finance Minister Christian Lindner said on Friday.

Japan, which is hosting a three-day G7 meeting to debate key global themes, has been leading fresh efforts to diversify supply chains away from China by building partnerships with low- and middle-income countries through investment and aid.

Countries such as Germany wanted to reduce its dependency on China, Mr. Lindner told a press conference. "Here, emerging and low income countries come into play," he added.

But while the G7 rich democracies are likely to agree on the partnership deal to beef up supply chains, they are not on the same page in terms of how far they should go in countering China — the world's second largest economy that is not a G7 member.

The U.S. is at the forefront in pushing for stronger steps. Treasury Secretary Janet Yellen has called for targeted controls in investment to China to counter what she saw as Beijing's "economic coercion" against other countries.

While wary of China as a strategic rival, Germany is cautious, however, of being seen as forging a G7 front against Beijing given its heavy reliance on trade with the country.

Japan is also sceptical about the idea of investment controls due to the huge impact such a move could have on global trade and its own economy, government officials say. A Japanese finance ministry official said Japan's initiatives were not targeted at any particular country.

RBI TO JOIN 12 OTHER REGULATORS TO TACKLE 'GREENWASHING' RISKS

The Reserve Bank of India (RBI) said it will join 12 international regulators in the Global Financial Innovation Network (GFIN)'s first-ever Greenwashing TechSprint to develop a tool to help regulators and the market effectively tackle the risks of greenwashing in financial services.

The central bank noted the number of investment products marketed as 'green' was growing.

"Exaggerated, misleading or unsubstantiated claims about Environmental, Social and Governance credentials damage confidence in the products and the RBI wants to ensure consumers and firms can trust the products have the sustainability characteristics they claim," the RBI said in a statement.

The central bank would be participating in a virtual TechSprint, hosted on the Financial Conduct Authority's digital sandbox, to bring together international regulators, firms and innovators to address sustainable finance as a collective priority.

TechSprint would commence on June 5 and run for three months, ending in September.

ASYMMETRY, POWER

Top court ruling on services is a boost for representative government in Delhi

Asymmetric federalism has been a positive feature of India's polity, but even the most pragmatic arrangement may not always guarantee harmonious relations between the Centre and its constituent units. The wrangling between the Union government and the Government of the National Capital Territory of Delhi (GNCTD) has been an endless saga for years, and the Supreme Court has repeatedly sought to lay down the terms of their relationship in the way the territory is governed. In the latest verdict, a Constitution Bench has ruled that the elected government does indeed have control over administrative services. However, it is limited to services related to the extent of its current executive and legislative powers, which extend to all subjects under the State and Concurrent Lists, except for the three excluded ones — public order, police and land. The Centre's argument, that in the absence of a Public Services Commission for Delhi and in view of the phrase "insofar as such matter is applicable to Union Territories" the subject of 'services' will not fall under the Delhi government's remit, was rejected. The Court's unanimous verdict rejects the attempt to read the phrase as one that imposes an additional limitation on its legislative and executive powers. The Court has emphasised the sui generis nature of Delhi, so that its Union Territory status is not used to limit the role of the elected government. The five-judge Bench ruling again underlines the principle that a representative regime should not be undermined by an unelected administrator. Delhi Chief Minister Arvind Kejriwal, who has been embroiled in a prolonged tussle with the Lieutenant Governor over several issues, will be elated with the Court's ruling that "the involvement of the Union of India in the administration of NCTD is limited by constitutional provisions, and any further expansion would be contrary to the constitutional scheme of governance". However, even yet another Constitution Bench verdict underscoring the representative character of the GNCTD may not be enough to end the underlying power struggle in Delhi, as long as the Centre continues with its efforts to clip the powers of the government because of its antagonism towards the Aam Aadmi Party. It is five years since the Court observed that constitutional trust between high functionaries is needed to resolve matters, but there is no sign of the conflict abating. In practical terms, the provisions of the GNCTD (Amendment) Act, 2021, which sought to strengthen the hand of the Lt. Governor in running Delhi, may continue to be a source of conflict. The validity of its provisions is also under challenge before the Supreme Court, an indication that the legal tussle is hardly over.

WELFARE SPENDING HAS BEEN GETTING A REGULAR PRUNING

This year's Union Budget was criticised by experts over a decline in allocations for welfare schemes in real terms, at a time of post-COVID-19 recovery when welfare spending should have been a priority. Similarly, last year's Budget too ignored social spending in favour of capital expenditure.

The analysis below, based on Budget papers, shows that the trend of declining central government spending on critical social schemes is not new, having begun when the National Democratic Alliance (NDA) government came to power in 2014. Since then, central allocations for welfare schemes and sectors that ensure basic rights have declined as a proportion of GDP.

Saksham Anganwadi and Poshan 2.0 aims to address child malnutrition and hunger. From 2021-22, the Anganwadi programme (ICDS) was merged with POSHAN Abhiyaan and a nutrition scheme for adolescent girls. Even with more components, its allocation went down from 0.13% of GDP in 2014-15 to 0.07% in 2023-24 — almost half of what it was.

According to National Family Health Survey (NFHS)-5 data, the percentage of anaemic, underweight and stunted children in India is 67%, 32% and 36%, respectively, which is among the worst in the world. Yet, funds meant to address malnutrition are being slashed with abandon.

Another important nutrition scheme is the mid-day meal (MDM) scheme, covering almost 12 crore children. Evidence shows that the scheme has led to an improvement in class attendance, learning as well as nutritional outcomes and reduced stunting in children. However, the Budget allocation for MDM decreased by 50% as a share of GDP, from 0.08% in 2014-15 to 0.04% in 2023-2024. In 2021 the Ministry of Finance rejected a breakfast at school plan citing funds constraint, a plan that has shown promising results in Tamil Nadu within a year.

Lastly, the PM Matru Vandana Yojana (PMMVY) provides maternity benefits as a conditional cash transfer of ₹5,000 to women in the unorganised sector. To cover all women and births as per the National Food Security Act (NFSA) mandate, the scheme needs around ₹14,000 crore, but the PMMVY Budget is yet to cross ₹3,000 crore.

Working class distress worsens

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and NFSA (Food Subsidy) have also declined as a share of GDP since 2014. MGNREGA guarantees 100 days of employment to every rural household whereas the NFSA provides subsidised grains to over 80 crore people.

MGNREGA expenditure as a share of GDP went from 0.26% in 2014-15 to 0.20% in 2023-24. For NFSA it went to 0.65% this year from 0.94% in 2014-15. As experts point out, MGNREGA and the Public Distribution System were key to averting disaster during the pandemic. Both schemes saw record demand in 2020-21; MGNREGA saw 8.55 crore households avail employment, while Public Distribution System (PDS) grain offtake was 93 million tonnes, leading to an expenditure of 2.73% and 0.56% of GDP on NFSA and MGNREGA, respectively. However, since 2020-21, NFSA and MGNREGA allocations have declined rapidly as a share of GDP.

As the economist, Jean Drèze, highlighted recently, real wages of casual workers grew at less than 1% per year from 2014-15 to 2021-22 according to Reserve Bank of India data. Prof. Drèze argues that this worrying trend calls for a reorientation of economic policies, with a sharper focus on drivers of wage growth.

The National Social Assistance Programme (NSAP) is a scheme that provides pensions to the elderly, widows, and disabled individuals below the poverty line and monetary assistance to families that have lost a breadwinner. As a share of GDP, its allocations went down from 0.06% in 2014-15 to 0.03% in 2023-24. The share steadily declined over this period except for 2020-21 when it was 0.21% with COVID relief in cash included in the NSAP.

The NSAP cuts go against advice from 60-odd economists who have been urging the government for long to increase the paltry pension amounts of ₹200 per month for the elderly and ₹300 for widows. The pensions have not increased since 2006.

As a share of GDP, central expenditure on school education (primary and secondary) has steadily declined from 0.37% in 2014-15 to 0.23% 2023-24. It is surprising to see no increase here even after the pandemic which had catastrophic effects including a surge in primary dropout rates because of over 70 weeks of school closures — double the global average.

Only marginal health-care gains

Health-care expenditure, unlike others, rose under the NDA government. The share of central health expenditure in GDP went up from 0.25% in 2014-15 to 0.30% this year. While this is a welcome change, it is too little too late in a post-COVID world.

According to the latest State of the World's Children report by UNICEF, India has the lowest vaccination rates in South Asia. Furthermore, India's out-of-pocket expenditure on health remains much higher than the global average, pushing millions into poverty each year.

For these schemes/sectors for which comparable data was available, the allocations saw a noticeable increase from 2004-05 to 2013-14. The share of GDP remained stable for MDM, food subsidy and health care, tripled for ICDS, doubled for NSAP, and increased by 45% for school education with a combined increase from 1.48% of GDP in 2004-05 to 1.8% in 2014-15. But then it dropped to 1.32% this year under the NDA government.

On the other hand, the NDA government was relatively successful in delivering tangible goods — a policy paradigm Subramanian et al. (2021) refer to as the New Welfarism of the Right. They show that considerable progress has been made in access to cooking fuel, electricity, and financial inclusion of women, with an accelerated pace of improvement since 2015. The authors argue that there are rich electoral gains in new welfarism as tangible goods and services are easier to deliver, monitor, and attribute to the central government when compared with traditional government services such as primary education and child nutrition.

A stagnant HDI rank

It is only fair to expect that as a country's GDP grows, its expenditure on welfare programmes should grow proportionately. In fact, going by international experience, the share of social expenditure in GDP should be rising over time in India. The vital importance of social security programmes was acknowledged by the government when it raised the Budget allocation for all the aforementioned schemes during the pandemic year to 4.3% of GDP; but we are now back to just 1.5%.

According to the World Social Protection Report by the International Labour Organization, only 24.8% of Indians are covered by at least one social security scheme against the Asia-Pacific average of 44%. Its result can be clearly seen in India's stagnant Human Development Index rank at 132 and rising malnutrition levels. It is difficult for India to be a superpower with an uneducated and unhealthy population.

If fiscal prudence is a worry, we suggest the government recover the ₹4.3 lakh crore of revenue foregone due to tax concessions during NDA-1 and another ₹1.85 lakh crore foregone between 2019-21 after lowering corporate tax rates in 2019.

DIAGNOSTIC IMAGING OF THE RAJASTHAN RIGHT TO HEALTH ACT

The Rajasthan Right to Health (RTH) Bill, which became an Act in April, had caused a bitter row following which the State government agreed on some exclusions. Many doctors termed the Act draconian, while public health activists have largely stood by it. But there are certain aspects of the Act that have attracted little discussion, which also make it unfit to be an ideal precedent for other States.

Iterations, before and after

Comparing the two iterations of the RTH Bill, one before and another after the select committee review, is a good starting point for a review. The primary iteration was sent for the select committee's review in 2022, and the amended Bill was passed on March 21, 2023, which stoked protests. Even a cursory review brings out how the amended version, which sparked the row, was itself a highly moderated version attuned strongly to the interests of the medical community.

Following the select committee amendments, some definitions (accidental emergency, emergency care, and first aid), were added to the Bill. In addition, the term 'designated health care centres' was introduced, and a reimbursement clause for unpaid emergency care was added. These additions are commendable. However, most other changes in the amended Bill were not so salutary at least as far as protecting public health interests is concerned.

This shows, foremost, in the renewed composition of the State and district health authorities. For the State health authority, the initial iteration included three representatives, from ayurveda, homoeopathy, and unani, as ex-officio members. Instead, the amended Bill had provision for only one representative from the alternative medical systems, with medical education representatives filling for the remaining two. What is even more striking is that the amended Bill swapped public health/hospital management experts with Indian Medical Association (IMA) representatives as nominated members. This leaves these authorities with little or no representation from the public health fraternity and, most importantly, from the community for which the Act is aimed.

Further, the powers of the administration organs were significantly circumscribed in the amended Bill. The grievance redress system proposed in the initial iteration was also significantly overhauled in the amended Bill. Initially proposed to be handled through web portals, helpline centres, and officers concerned within 24 hours, patient grievances will now be handled by the very health-care institution in question within three days. This introduces conspicuous conflicts of interest. That apart, it stands to compound the administrative burden of hospitals. This predisposes patient grievances to being sloppily or perfunctorily handled, and more often than not, being settled informally.

Health legislation embraces not just curative medical care but also health promotion, disease prevention, and important social determinants such as nutrition, which have a stronger bearing on health than medical care. The current RTH Act lacking in public health representation is ill positioned to achieve these ends or to serve as a template for other States or a pan-India legislation. Coming now to the memorandum of understanding which made the Bill somewhat palatable for doctor associations. The State government has assured that private multispecialty hospitals with less than 50 beds, and those that have not availed of concessions or subsidised land/buildings from the government, will be kept out of the ambit of the law, even if temporarily. It effectively excludes the plethora of small and medium hospitals which predominate in the health-care landscape, particularly outside the urban agglomerations. Contrast this with the The Emergency Medical Treatment and Labor Act (EMTALA) — the U.S. legislation ensuring public access to emergency care — which covers 98% of hospitals.

The prognosis

Despite being a moderate Bill, some of the objections calling for an in-toto repeal have been rather frivolous, for instance, over the ambiguous definitions of some terms such as 'emergency'. Medical-legal definitions are perennially given to ambiguities, and even widely accepted definitions are typically imprecise and replete with ambiguities. It only behoves all parties in such cases to work together to arrive at the best elaboration, rather than demanding an outright repeal of a Bill with far-reaching implications for public health beyond just emergency care. Again, the EMTALA example shows that some residual ambiguities are irredeemable and are routinely navigated using risk-benefit and reasonable confidence principles.

The foremost lesson for the state is that such legal pronouncements should be meticulously drafted to pre-empt opposition from arising in the first place. Second, for any true health legislation to arise, the government has to keep away from being swayed by organised medical interests alone. The common subtext of most medical protests has been that private medical practice should be as laissez-faire as possible, which is incompatible with equitable, universal health care. Governments and the medical community should sensitise themselves to the broader social dimensions of health and health legislation. Last, but not the least, governments should realise that getting onto such radical pieces of legislation without threshold levels of enough financial preparedness can backfire, as it is the state's obligation to provide health care, and not that of health-care providers by disregarding their own livelihood.

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