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## HC ADMITS REVIEW PLEA BY MEITEI BODY ON ST STATUS



*Tension persists: A makeshift roadblock marks the site of a protest in Imphal. PTI*

*MTU contests court direction to the Manipur government for inclusion of Meitei community on ST list, expeditiously, preferably within four weeks from the date of receipt of a copy of this order*

The Manipur High Court on Monday admitted a review petition to modify its contentious March 27 order which had directed the State government to recommend the inclusion of the Meitei community on the Scheduled Tribe (ST) list. The court issued notice to the Union and State governments on

Monday, seeking their response by July 5, the next date of hearing.

The review petition filed by the Meitei Tribes Union (MTU) was admitted for hearing by a Bench of Acting Chief Justice M.V. Muralidharan, who had authored the March 27 order which was passed on an initial writ petition filed by the union.

However, in that order, the court had said, "The first respondent shall consider the case of the petitioners for inclusion of the Meitei/Meitei community on the Scheduled Tribe list, expeditiously, preferably within a period four weeks from the date of receipt of a copy of this order..."

"It is this part of the order that we have sought a modification of. There is a Supreme Court judgment that says that inclusion or exclusion of any community is the prerogative of Parliament and the President. So this direction does not comply with that," Ajoy Pebam, one of the lawyers for the MTU told The Hindu.

He said they had initially only sought for a direction to the State to reply to the Centre following procedure.

Manipur has been seeing continuous ethnic violence between the dominant valley-based Meitei people and the hill-based Kuki-Zomi tribal people since May 3, when violence started shortly after a tribal protest against the contentious March 27 order. In the order, Justice Muralidharan had directed the Manipur government to reply to the Union Tribal Affairs Ministry on a file related to the request for the Meiteis' inclusion on the Scheduled Tribe list.

The High Court had noted that the Meitei people had submitted multiple requests for ST status to the Union government from 2013 onwards and these were forwarded to the State government seeking a formal recommendation as per procedure. However, the Manipur government never acted on them, the High Court added before directing it to respond to the Union government.

Meanwhile, the appeal against the March 27 order, filed by the All Manipur Tribal Union (AMTU), has been listed for its next hearing later this week.

## INDIA GIFTS INS KIRPAN TO VIETNAM, FOCUSES ON ENHANCING DEFENCE RELATIONS, SECURITY

India gifted the indigenously-built in-service missile corvette INS Kirpan to Vietnam to enhance its naval capabilities. Defence Minister Rajnath Singh announced this on Monday after bilateral talks with his visiting Vietnamese counterpart General Phan Van Gang.

"Progress on various bilateral defence cooperation initiatives was reviewed during the meeting, with both sides expressing satisfaction at the ongoing engagements," a Defence Ministry statement said on the talks while stating that the two Ministers focused on enhancing cooperation between defence industries of both countries and maritime security.

Both Ministers identified means to enhance existing areas of collaboration, especially in the field of defence industry cooperation, maritime security and multinational cooperation, the Ministry said. Gen. Phan also visited headquarters of the Defence Research and Development Organisation (DRDO) and discussed ways to enhance "defence industrial capabilities by cooperation in defence research and joint production".

Earlier in the day, Gen. Phan laid a wreath at the National War Memorial and was later given a triservice guard of honour. He arrived in India on Sunday on a two-day visit.

INS Kirpan is a Khukri class missile corvette displacing 1,350 tonnes and was commissioned into the Navy on January 12, 1991. It has a displacement of close to 1,400 tonnes, a length of 91 metres, a beam of 11 metres and is capable of speed in excess of 25 knots. The ship is fitted with a medium range gun, 30 mm close range guns, chaff launchers and surface-to-surface missiles, according to the Navy.



*Fresh ties: Rajnath Singh and Vietnam Defence Minister General Phan Van Giang in New Delhi on Monday. Special Arrangement*

In June 2022, India and Vietnam signed an MoU on mutual logistics support in presence of the two Defence Ministers during Mr. Singh's visit to the South East Asian nation. The two Defence Ministers also signed the 'Joint Vision Statement on India-Vietnam defence partnership towards 2030'.

Hanoi has procured 12 high speed patrol boats for the Vietnamese border guard force under a \$100mn Line of Credit (LoC) extended in 2014.

## WE AIM TO INSPIRE YOU



## 'MODI, BIDEN TO DISCUSS EVERY ISSUE RELEVANT TO INDIA, U.S.'



Foreign Secretary Vinay Mohan Kwatra, MEA spokesperson Arindam Bagchi and Ausaf Sayeed during a press conference. PTI

*Foreign Secretary says that India and U.S. are focused on how defence industrial companies can form a supply line ecosystem; the PM will also interact with the Indian diaspora in two phases*

Every global and regional issue that is relevant to India and the U.S. is expected to feature in the bilateral dialogue that Prime Minister Narendra Modi will hold with President Joe Biden during his upcoming official state visit to the U.S., Foreign Secretary Vinay Mohan Kwatra said on Monday.

Apart from official engagements, Mr. Modi's visit will include meetings with the Indian diaspora and CEOs from the corporate world.

"Every regional and global issue that are important in the context of India-U.S. relationship will be discussed [by Mr. Modi and Mr. Biden] as per availability of time," Foreign Secretary Vinay Mohan Kwatra said in a special briefing on the visit, explaining that "larger issues" that are of strategic importance to both sides would be taken up during the meeting.

### Talks between leaders

The discussion between the two leaders will also include India's presidency of the G-20, which will meet here in India at the level of the leaders in September. Mr. Modi's visit comes at crucial time for South Asia, which is witnessing political instability and conflicts in Pakistan, Afghanistan and

Myanmar.

That apart, the U.S. in recent months has taken several steps, including the imposition of a ban on visa to disruptors of democracy in election-bound Bangladesh. As a result of these factors that are unfolding in India's vicinity, there are expectations that the Modi-Biden talks may also take up regionally significant developments.

"The focus is on what India is trying to do in its G-20 presidency, especially regarding priorities, interests and concerns of the Global South. The large chunk of the Global South remains unrepresented in the G-20. The idea is to put that on the table in terms of it being included into the G-20. These will feature in the discussion that the honourable Prime Minister and the President will hold," Mr. Kwatra said, indicating that Africa will feature in the bilateral discussion between the two sides, especially in the context of the G-20.

### Ceremonial welcome

Mr. Modi will receive a ceremonial welcome at the White House on June 22 morning, which is expected to be attended by a large number of invitees. The bilateral official discussion that will follow, Mr. Kwatra said, is likely to include a "strong tech component" covering telecom, space, manufacturing, and possibly semiconductors.

The Prime Minister's first event upon landing in the U.S. will take place in the premises of the United Nations, where he will lead a large number of yoga enthusiasts on International Day of Yoga. Diplomats from many UN member countries are expected to participate.

### Yoga event

The annual event under the UN began after the UN General Assembly passed a resolution in 2014 to adopt the International Day of Yoga.

Mr. Kwatra said India and the U.S. are focused on the relatively new component of the relationship of "defence industrial companies". "We are working on how Indian and American defence industrial companies can form a supply line ecosystem," Mr. Kwatra said.

The Foreign Secretary said Mr. Modi's interactions with business leaders and the Indian diaspora would be held in two phases, with one event taking place at the Kennedy Center, which will include captains of industry and young achievers from the Indian American community.

Another diaspora event is being planned by the Indian community at the Ronald Reagan Building and International Trade Centre on the evening of June 23. This will be the last event that Mr. Modi will attend before flying to Egypt, where he will pay a state visit from June 24 to 25.

## XI MEETS BLINKEN AS CHINA, U.S. AGREE TO 'STABILISE' RELATIONS AMID TENSIONS

Chinese President Xi Jinping on Monday said China and the U.S. had made "progress" on some of the issues recently straining relations as he met with Secretary of State Antony Blinken in Beijing.

That Mr. Xi met the visiting top U.S. diplomat — the meeting hadn't been confirmed publicly when Mr. Blinken landed in Beijing on Sunday on the first visit by the top U.S. diplomat since 2018 — was seen by observers as reflecting a new willingness on both sides to bring some stability to relations.

Both sides are also looking to pave the way for Mr. Xi and Mr. Biden to meet later this year for the first time since Bali in November 2022, when they agreed to prevent relations from sliding into conflict. Talks are expected either at the G-20 in India in September or at the APEC summit in the U.S. in November. Mr. Xi said Beijing "has made our position clear and the two sides have agreed to follow through the common understandings President Biden and I had reached in Bali," state media reported.

Both Mr. Xi and Mr. Blinken referred to the goal of stabilising ties. Mr. Xi said he hoped the visit would contribute towards doing so, while Mr. Blinken later told reporters he agreed on the need to "stabilise" relations but was "clear-eyed" on differences.

"The world needs a generally stable China-U.S. relationship," Mr. Xi said. "Whether the two countries can find the right way to get along bears on the future and destiny of humanity... The international community is generally concerned about the current state of China-U.S. relations. It does not want to see conflict or confrontation between China and the U.S. or choose sides between the two countries."



Bridging gap: U.S. Secretary of State Antony Blinken meets with Xi Jinping in the Great Hall of the People in Beijing on Monday. AP

*Blinken says he agreed on the need to 'stabilise' ties but was 'clear-eyed' on differences; whether the two countries can find the right way to get along bears on the future and destiny of humanity, China's leader told the visiting U.S. top diplomat*

Following his talks with Foreign Minister Qin Gang on Sunday, Mr. Blinken on Monday also met with Politburo member Wang Yi, who heads the Central Foreign Affairs Commission.

Mr. Wang told him both sides "need to take a responsible attitude toward

our people, history, and the world, reverse the downward spiral of China-U.S. relations, and work together to find the right way for China and the U.S. to coexist in the new era."

## FM CALLS FOR EFFORTS TO PUSH FARMERS TO CULTIVATE MILLETS



*Promoting millets: Finance Minister stresses that farmers need to shift to more remunerative crops like millets. The Hindu*

*Nirmala Sitharaman urges NABARD to increase the land area cultivated with millets; the FM also advises improving rural income and protecting the returns of farmers already growing millets*

## INDIGO ANNOUNCES RECORD ORDER FOR 500 AIRBUS A320 FAMILY JETS

Budget carrier IndiGo on Monday announced a firm order of 500 single-aisle aircraft of the Airbus A320 family, making it the single biggest-ever civilian aircraft purchase deal.

The airline's latest order takes the total number of planes it has on order to 980, as the carrier aims to double its fleet size by the end of the current decade.

"IndiGo plans to double in size by the end of 2030 by inducting the 480 aircraft it expects will be delivered from the previous order," CEO Pieter Elbers said in an online media interaction after signing the agreement with Airbus at the Paris Air Show.

The 500 aircraft are expected to be delivered between 2030 and 2035. IndiGo did not specify the exact mix of A320 and A321 planes that comprise the A320 family but added that the order book included A320neo, A321neo and A321XLR aircraft.

"An order book now of almost 1,000 aircraft well into the next decade, enables IndiGo to fulfill its mission to continue to boost economic growth, social cohesion and mobility in India," Mr. Elbers was quoted as saying in a statement issued by the carrier.

IndiGo's latest order also surpasses Air India's 470-aircraft order, announced in February.

Union Finance Minister Nirmala Sitharaman on Monday called for concerted efforts to sensitise farmers to shift towards more remunerative but less water-guzzling crops like millets, pulses and oilseeds, and enhance the digital capabilities of rural financial institutions.

Ms. Sitharaman, who was chairing a review of India's apex rural development financial institution National Bank for Agriculture and Rural Development or NABARD along with top officials from the Department of Financial Services, advised it to work towards ensuring efficiency and outcomes at the ground level with improvement in rural income as top priority.

"With production and marketing of ShreeAnna as a national priority in the ongoing International Year of Millets, the Finance Minister directed NABARD to encourage farmers to enhance the area covered under Millets, and to protect the returns of farmers who are already growing millets," the Finance Ministry said in a statement after the meeting.

Ms. Sitharaman stressed the need to boost the digital capabilities of rural financial institutions including regional rural banks "on priority" for augmenting financial inclusion.



Pieter Elbers

## GRASSROOTS PEACE

*Free and fair elections to local bodies are not possible without peace*

Local body elections in West Bengal scheduled for July 8 have yet again brought political violence in the State to the forefront. Seven persons — they include supporters of the ruling Trinamool Congress and Opposition parties such as the Bharatiya Janata Party, the Congress and Indian Secular Front — have died since the notification of the polls on June 8. The State Election Commission (SEC) and the West Bengal government have approached the Supreme Court of India challenging the Calcutta High Court order of June 15, directing the deployment of central forces in all districts. The State government and the SEC do not have enough resources at their disposal to conduct the mammoth exercise across the State on a single day. Therefore, the deployment of central forces should have been welcomed, particularly when the High Court has directed that the cost of the deployment will be borne by the Centre and not the State

government. Elections will be held to nearly 73,897 seats of the three-tier local body structure. In 2013, the SEC itself had sought Supreme Court direction for the deployment of central forces, in stark contrast with its opposition to it now. Violence has been normalised in State politics for decades, and parties in the opposition always seek the deployment of central forces in all elections.

In the 2018 local body polls, there was no deployment of central forces, and in more than one third of the seats, the ruling Trinamool Congress candidates won without contest. Opposition parties were not allowed to put up any candidate in these seats. While the situation is a bit better this time, the Opposition parties have not been able to file nominations in about 50 of the 341 blocks of the State amid reports of the intimidation of candidates. Governor C.V. Ananda Bose visited violence-affected areas at Bhangar and Canning, and Raj Bhavan,



Kolkata, has opened a control room where citizens can register their grievances related to the polls. The “peace room”, as the Governor calls it, will forward these complaints to the State government and the SEC. The Governor has turned the spotlight on the deteriorating law and order situation and nudged the SEC and the State government to take complaints of violence seriously. He has also

carefully avoided a confrontation with the elected government. West Bengal was among the first States to have a three-tier panchayat system aimed at democratic decentralisation. It is for all the stakeholders including political parties to ensure that the exercise of electing panchayat functionaries does not descend into lawlessness and chaos.

## DECODING THE ADANI REPORT

### SEBI in the spotlight

Table 1 names the 13 overseas entities being investigated by SEBI with respect to the Adani Group. Table 2 shows the indicative price movement of Adani scrips since January 2021

	FPI/overseas entity	Jurisdiction	Declared name of beneficial owner	Nationality
1	Elara India Opportunities Fund	Mauritius	Rajendra Bhatt	U.K.
2	Vespera Fund Limited	Mauritius	Rajendra Bhatt	U.K.
3	Marshall Global Capital Fund Limited	Mauritius	Nuni Venkata Ramana Murty	Singapore
4	Emerging India Focus Funds	Mauritius	Trident Trust Company Limited - Jimmy Ernesta as settlor	Mauritius
5	EM Resurgent Fund	Mauritius	Trident Trust Company Limited - Jimmy Ernesta as settlor	Mauritius
6	Cresta Fund Limited	Mauritius	Mark Dangel	Switzerland
7	Albula Fund Limited	Mauritius	Anna Lutzia von Senger Burger	Switzerland
8	APMS Fund Limited	Mauritius	Alastair Guggenbuhl-Even & Yonca Even Guggenbuhl	Switzerland
9	LTS Investment Fund Ltd.	Mauritius	Alastair Guggenbuhl-Even	Switzerland
10	Asia Investment Corporation (Mauritius) Ltd	Mauritius	Alastair Guggenbuhl-Even & Yonca Even Guggenbuhl	Switzerland
11	Polus Global Fund	Mauritius	Yajjdeo Lotun	Mauritius
12	New Leaina Investments Ltd	Cyprus	Jan Scheelings, Margaret Ilse Sjak-Shie & Collin Peter de Wit	The Netherlands
13	Opal Investments Pvt. Ltd (FI)	Mauritius	Adel Hassan Ahmed Alali	UAE

	Face value	Jan. 2021 price	Peak price (pre-Hindenburg)	Low price (post-Hindenburg)	End-May 2023 price
Company Name	INR	INR	INR	INR	INR
Date		01.01.2021	21.12.2022	03.02.2023	31.05.2023
Adani Enterprises Ltd (AEL)	1	491	4190	1017	2495
Date		01.01.2021	16.09.2022	01.03.2023	31.05.2023
Adani Transmission Ltd (ATL)	10	435	4238	630	777
Date		01.01.2021	19.04.2022	28.02.2023	31.05.2023
Adani Green Energy Ltd (AGEL)	10	1066	3048	439	983
Date		01.01.2021	23.01.2023	19.05.2023	31.05.2023
Adani Total Gas Ltd (ATG)	1	377	3998	633	665
Date		01.01.2021	22.08.2022	28.02.2023	31.05.2023
Adani Power Ltd (APL)	10	50	433	132	249
Date		01.01.2021	01.12.2022	20.03.2023	31.05.2023
BSE Sensex	---	47868	63583	57085	62622

SOURCE: COMPILED BY SEBI & REPRODUCED IN EXPERT COMMITTEE REPORT IN PARA 41, CHAPTER 4 | BOMBAY STOCK EXCHANGE: [HTTPS://WWW.BSEINDIA.COM/](https://www.bseindia.com/)

*What did the six-member panel appointed by the apex court find on SEBI's role as regulator while probing alleged contraventions of the Adani Group? How has SEBI dealt with the allegations of stock manipulation in Adani scrips?*

#### The story so far:

The Supreme Court order dated March 2, 2023 led to two parallel inquiries into contraventions of the Adani group of companies, alleged by Hindenburg Research. The U.S.-based investment research firm had alleged in January that the Adani Group was engaged in brazen stock manipulation and money laundering; charges denied by the company. The Security and Exchange Board of India (SEBI), which was asked to investigate whether there was a violation of Rule 19A of the Securities Contracts (Regulation) Rules, 1957, sought an extension after the two-month deadline was over, and will now have to report to the apex court by August 14. In addition, a separate Expert Committee was constituted to inter alia investigate whether there has been regulatory failure in dealing with the alleged flouting of laws by the Adani Group or other companies.

#### The status of the SEBI probe

The SEBI was directed to probe whether the Securities Contracts (Regulation) Rules, 1957, were violated. The court wanted SEBI to find out whether Rule 19A, which stipulates that every company listed in the stock

market has to maintain at least 25% public shareholding, was ignored. It was also asked to find out whether there was a failure to disclose transactions and other relevant information concerning “related parties” to SEBI, in accordance with the law; and also whether there was any manipulation of stock prices in contravention of existing laws. When SEBI sought an extension, citing complexity of the transactions it was investigating, the court granted it more time. Meanwhile, the six-member, court-appointed Expert Committee, submitted a 173-page report to the court on May 6. It has been widely reported that the expert committee has found “no regulatory failure” on the part of SEBI. A perusal of the expert committee report, however, reveals several facts as well as a sequence of events, which not only point towards regulatory failure, but regulatory capture and collapse.

#### What did the expert panel state?

In the committee's findings on SEBI's regulatory performance contained in the fourth chapter of the report, there is an indication of a gigantic scam involving serious economic offences perpetrated by the Adani group.

The expert committee report states that SEBI had begun investigating the Adani group companies in October 2020, following complaints received in June-July 2020. However, regulatory proceedings like the issuance of show-cause notices have not been initiated by SEBI under the ruse of being unable to establish a prima facie case. SEBI has been investigating 13 suspected overseas entities, mostly foreign portfolio investors (FPIs), based in tax havens like Mauritius, which they suspect are front companies of the Adani promoters (Table 1). These FPIs together held significant shares in five listed Adani group companies as on March 2020 — 15.5% in Adani Enterprises Limited/AEL, 18% in Adani Transmission Limited/ATL, 17.9% in Adani Total Gas/ATG, 20.3% in Adani Green Energy Limited/AGEL and 14.1% in Adani Power Limited/APL, as per SEBI's compilation.

The promoter group shareholding in the five listed Adani Group companies till March 2020 was above 74%, as per their own disclosures. These listed companies would, therefore, be in violation of Rule 19A of the SCRR, 1957 if the 13 overseas entities were/are front companies for the Adani Group promoters.

SEBI, despite its suspicion and investigation, however, has been unable to unearth the “ultimate beneficial owner” of these overseas entities till date. This inability to establish prima facie contraventions, however, has been effected by successive amendments to SEBI regulations related to FPIs as well as Listing Obligations and Disclosure Requirements (LODR regulations), as described in the expert committee report. A vital restriction on FPIs having an “opaque structure” was repealed and the definitions of “beneficial owners” in FPI regulations and “related party”/“related party transactions” in the LODR regulations were diluted through successive amendments in 2018 and 2019. These amendments opened regulatory loopholes, enabling the Adani Group promoters, especially Vinod Shantilal Adani, to conceal the ultimate beneficiary owner of the suspected FPIs while claiming regulatory compliance.

SEBI has approached the Enforcement Directorate (ED) and Central Board of Direct Taxes (CBDT) to further investigate in order to establish a prima facie case against the suspected FPIs. But both the ED and CBDT have formally stated that they cannot undertake investigation unless SEBI registers a case under the Prevention of Money Laundering Act, 2002 (PMLA 2002) and tax law violations, respectively. The expert committee report has characterised this investigative paralysis as a “chicken-and-egg” problem.

The intent of the amendments brought in the FPI and LODR regulations by SEBI in 2018 and 2019, seem mala fide from the subsequent amendments made in November 2021. These amendments, which sought to partially plug the regulatory loopholes opened by the earlier amendments, were made with a deferred prospective effect, when the SEBI investigation was already underway. The PMLA (Maintenance of Records) Rules, 2005 were also amended by the Department of Revenue on March 7, that is, after the Supreme Court order setting up inquiries, to amend the definition of beneficiary ownership of FPIs.

These amendments to SEBI regulations have resulted in a complete subversion of Section 12A of the SEBI Act, 1992, which explicitly prohibits contrivances and devices that are structured to bypass the law, enabling securities fraud and insider trading. The expert committee has noted: “SEBI's pursuit of investigations is based on the premise that it is pursuing the ‘spirit of

the law', which flies in the face of the prospective amendments with deferred effect that SEBI has made on the legislative side."

#### Has there been a price manipulation?

A notable aspect in the price movement of the Adani scrips is that their sharpest rise occurred when the five listed Adani companies were already under the SEBI scanner, since October 2020. The price of an AEL share went up from ₹491 on January 1, 2021 (Table 2) to peak at ₹4,190 on December 21, 2022 implying an increase of 753% in almost two years. The price increase of ATL shares from January 2021 to its September 2022 peak was by 874%. ATG shares witnessed a price appreciation of 960% between January 2021 and January 2023. The BSE Sensex had risen from 47868 on January 1, 2021 to reach an all-time peak of 63583 on December 1, 2022, an appreciation of around 32% in 23 months. Thus, Adani scrips had outperformed the market by several times for a period of over two years, from January 2021 to January 2023.

The expert committee report reveals that 849 alerts were generated vis-a-vis the shares of Adani group companies through SEBI's automated surveillance systems (ASM) between April 1, 2018 and December 31, 2022. Of these alerts, 603 were related to price volume movements, while the remaining 246 alerts were related to suspected insider trading. While SEBI has reported that the 603 alerts were closed after "processing the same as per approved (sic) standard operating procedures", "work is in progress" on 246 alerts related to suspected insider trading.

While the large number of ASM alerts were clear signals of excess volatility in Adani scrips, SEBI did not find them "unusual" as long as their prices were rising. It is only when the Adani stock prices crashed post-Hindenburg that SEBI observed "unusual price movement" in a public statement issued on February 4, 2023. The Adani Group promoters have a history of regulatory violations, with the SEBI having indicted them for price manipulation of AEL shares in league with convicted/debarred trader Ketan Parekh; the case was settled "upon payment of certain amounts" in April 2008.

Given this history, SEBI's public silence on the unprecedented rise in

Adani scrips since October 2020, even when the companies were under investigation following complaints; alongside its unwillingness to register a case of regulatory non-compliance and legal violations against the Adani Group promoters till date, comprise prima facie evidence of regulatory failure and SEBI's complicity in these contraventions.

The expert committee has reported that most of the price rise of AEL scrips occurred between April 1, 2021, when AEL share price was ₹1,031 and December 31, 2022, when the share price reached ₹3,859. The largest buyer of AEL shares during this period was the Life Insurance Corporation of India (LIC), buying around 4.8 crore shares. The 13 suspected FPIs were among the top net sellers during this period, having sold around 8.6 crore shares. The price movement of AEL shares was, therefore, mainly contributed by LIC and the 13 suspected FPIs, and yet the SEBI has so far concluded that it is "impossible to conclude that they (suspected FPIs) had a hand in the price rise" because they were "net sellers" during this patch.

SEBI seems to be operating under the belief that stock prices can only be manipulated through net buying and not net selling, but these large transactions — the FPIs selling 8.6 crore shares of AEL, and LIC picking up around 4.8 crore shares — should be investigated.

#### What were the final remarks?

Despite collating and presenting a large body of evidence of regulatory failure, as summarised above, the expert committee has drawn ambivalent conclusions like: "at this stage, taking into account the explanations provided by SEBI, supported by empirical data, prima facie, it would not be possible for the Committee to conclude that there has been a regulatory failure around the allegation of price manipulation." It is now for the apex court bench to study the voluminous report and draw its own conclusions. Given the large body of evidence of regulatory improprieties and subversion contained in the expert committee report, the court's focus should be on SEBI's conduct.

*Prasenjit Bose is an economist and activist based in Kolkata.*

## SAFETY FIRST

Reports of drugs manufactured in India causing severe harm and dozens of patient deaths from across the world continue to trickle in, the latest being the deaths of two patients in Sri Lanka who were administered Indian-made anaesthetic drugs. Just last month, eye drops manufactured in India had caused eye infection in about 30 patients and blindness in 10 in Sri Lanka. While anaesthetic drugs made in India causing deaths are a first in the recent past, eye drops causing infections, blindness and even deaths were reported a few months ago in the United States, with the Atlanta-based Centers for Disease Control and Prevention (CDC) finding a highly drug-resistant bacteria in them. The series of adverse reports against drugs produced in India began last year when the World Health Organization (WHO) linked the deaths of at least 70 children in Gambia from acute kidney injury, to cough syrups. The culprit ingredient in the syrups was diethylene glycol and ethylene glycol — deadly chemicals used as a cheaper substitute for propylene glycol — that should never have been found in any medicine. Soon after the deaths in Gambia, cough syrups made in India and containing the two deadly chemicals killed 18 children in Uzbekistan in December 2022. In end-April this year, Indian-made cough syrup was again in the news when WHO flagged the contaminated drugs found in the Marshall Islands and

Micronesia; the contamination was identified by the Australian regulator. Diethylene glycol-contaminated drugs have led to at least five incidents of poisoning in Chennai, Mumbai, Bihar, Gurugram and Jammu between 1972 and 2020.

The conduct of the Indian drug regulator ever since WHO first raised a red flag in October last year has been on predictable lines. Even after serious violations, it gave a clean chit to the company that had supplied the drugs to Gambia and then went on the offensive to fault the global health body. While WHO held its ground, the drug regulator's stand was exposed — test results from Switzerland and Ghana confirmed the presence of toxic chemicals in the cough syrup sample from Gambia. Also, a detailed causality assessment by Gambia and independent investigations by the Gambian Parliamentary Committee and CDC Atlanta found a link between the deaths and the toxic chemicals. Except for some customary inspections, the Indian drug regulator has so far failed to institute measures to make sure drugs produced in India for export and domestic use are safe. India can continue to be the pharmacy of the global south only if the regulator begins to behave like a watchdog to ensure drug safety, and not as a facilitator for the pharma industry.

## REFUGEES AS ASSETS TO THEIR NEW COUNTRIES

As we commemorate yet another World Refugee Day (June 20), we honour the courage and resilience of the 103 million individuals who have endured forced displacement due to conflicts and unrest worldwide. These staggering figures mask countless human stories marked by loss and shattered dreams.

This day is a reminder of our collective responsibility as global citizens and a call for engagement and empathy. It is a day to promote solidarity between communities, and, most importantly, to reflect on the importance of welcoming refugees and displaced persons into our communities.

Global conflicts which include the ongoing wars in Ukraine, Myanmar and Sudan among others, and the protracted situations in Afghanistan, and Somalia present an unprecedented challenge. These crises extend to our region where many individuals have been uprooted from their homes.

Sadly, South and Southeast Asia are not immune to the challenges of displacement. India is home to some 250,000 forcibly displaced persons, with women and children constituting half of that population. India continues to graciously host and assist refugees and asylum-seekers within its territory — a testament to our shared humanity. We thank the Government of India for its

steadfast support in generously hosting refugees throughout its history in a manner that deserves to be applauded and emulated.

#### Refugees want opportunities, not handouts

Today, we are reminded of the story of a young Afghan refugee, Ahmed, (the names used in this article are not real names to protect the individuals) who sought refuge in India fearing persecution in his home country. After pursuing his education through distance learning programme from the National Institute of Open Schooling, he is now teaching refugee and local children and aspires to serve the community that uplifted him from being "a nobody" to a valuable member of the society. It is remarkable to note how institutional support empowered him in realising his potential and making him a valued contributor to his community and society.

For refugee youth, it is not just a matter of talent; it is a matter of prospects. They want opportunities, not handouts. They wish to be self-reliant and are eager to use their talents and passions to contribute to the communities hosting them. We can all do more to give them hope and those opportunities while they are away from home.

Examples are aplenty where we have seen an extraordinary show of



resilience and talent from refugee youth when given the right opportunity. With career support and strong will, Taslima, a stateless person and twice displaced Rohingya woman in India, could fulfil her dream of being educated and is now a role model for other girls in her community. Similarly, with skill and guidance from experts, Ayesha, an Afghan refugee, is slowly making her way towards pursuing a career as an artist-designer. She designed a line of swimwear recently for an up-and-coming brand, which is now on sale through an online store.

#### Dismantle the barriers

Refugees and asylum seekers encounter a myriad of obstacles, such as legal recognition and challenges in obtaining government-issued documents, which hinder their access to essential services, including financial support and health care. It is incumbent upon us to dismantle these barriers and ensure that they are afforded equal opportunities in employment, education, housing, and health care.

Our efforts in creating an inclusive society must cater to the unique needs of refugee youth. To ensure that truly no one is left behind, we should engage with and include youth, especially refugee youth, in the realisation of the Sustainable Development Agenda.

Addressing the rising number of the forcibly displaced is an urgent moral imperative that demands our collective action. The Global Compact on Refugees acknowledges the magnitude of the displacement crisis and calls for solidarity through a whole of society approach. It is built on the understanding that the responsibility towards the forcibly displaced is not limited to governments

but extends to each one of us including individuals, the private sector, non-government organisations and community-based organisations. It also recognises that the Global South is disproportionately affected and that host communities need assistance.

The Global Compact on Refugees strives to enhance the international response, support host countries, promote self-reliance, and explore long-term solutions such as resettlement and safe returns.

Let us embrace the principle of equitable burden-sharing and fulfil our responsibilities to refugees, ensuring their well-being and the well-being of their generous host communities. By doing so, we can create a world where the potential of every refugee, such as Ahmed, can be realised, and where hope and opportunities abound for those in need.

This is a critical moment in our lifetimes when we have the power to shape future generations. And we invite individuals, the private sector and governments to do their part in supporting youth from refugee and host communities. Together, we can truly ensure the Government of India's vision of 'Viksit Yuva Viksit Bharat' is realised.

As we mark today's World Refugee Day, let us recommit ourselves to standing in unison with refugees and displaced persons, recognising their strength, indomitable hope, and untapped potential. Together, we can dismantle barriers, create pathways to meaningful opportunities, and restore their sense of dignity. We should never look away.

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