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INTERNATIONAL RELATIONS

Putin accepts Modi's request to release Indian military recruits



Russian President Vladimir Putin has accepted Prime Minister Narendra Modi's request to discharge Indian military recruits serving at the war front. It has emerged that there are at least 50 Indian men serving at the war front, of which four have been killed.

The decision, announced formally by the Russian government, comes after weeks of diplomatic discussions, and the issue being raised by the Indian Embassy in Moscow as well as by External Affairs Minister S. Jaishankar to Russian Foreign Minister Sergey Lavrov during a meeting on the sidelines of the SCO Summit in Astana last week. Many Indian military recruits have not registered with the Embassy, as they are lured by salaries of approximately ₹2 lakh a month, the promise of Russian residency papers, as well as the possibility of using illegal migrant routes to go further West to Schengen countries in Europe.

INTERNAL SECURITY

Kathua anti-militancy operations stepped up; attackers still elusive



An extensive anti-militancy operation of the security forces, backed by unmanned aerial vehicles and choppers failed to re-establish contact with the hiding militants who ambushed an Army convoy in Badnota village, which is 124 kilometres from Kathua town in Jammu. This is the fourth terror-incident in the State within 48 hours and the latest in a series of attacks in the last few months, especially in the Jammu region, reinforcing a new trend of terrorism in Jammu and Kashmir shifting towards the Rajouri-Poonch area. The region has been quiet for over two decades now, after being a hotbed of insurgency in the late 1990s and early 2000s. This was brought under control by Operation Sarp Vinash in 2003 and subsequent support from the locals, especially the Gujjar-Bakerwal community.

The militants, whose numbers remain unascertained, used sophisticated weapons, including armour-piercing bullets in the attack. The modus operandi adopted by the ultras is the same as employed in at least three attacks in the Rajouri-Poonch belt since 2021, where attackers tracked the movement of vulnerable non-bullet military vehicles and chose narrow tracks and thick forest areas to mount a surprise attack from two sides, especially aiming at the driver of the vehicle.

Recurring incidents of security forces being ambushed have resulted in casualties, which is unacceptable for a highly trained and professional force like the Indian Army. This calls for stricter adherence to standard operating procedures and improved operations. While the ceasefire along the Line of Control (LoC) largely holds, the uptick in terror incidents is a matter of concern — more so, the shift in violence. There are many factors that may be leading to this trend. A major one is the vacuum on the ground with a large number of troops redeployed to the Line of Actual Control in Eastern Ladakh in the aftermath of the 2020 standoff with China. This has resulted in a gap in local intelligence. There is also the increased use of modern but easily available technology by terrorist groups looking to find new routes to keep the insurgency going. Botched-up security operations have also damaged the trust

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between the local population and the state. From foreign terrorists crossing the LoC and leading the attacks, there has been a trend now to push local militants to the forefront to give the insurgency a more home-grown face as international pressure has mounted on Pakistan. New terror groups have also come up claiming to be behind some of the attacks. These aspects present new challenges. Tackling the situation needs a multi-layered strategy beyond just augmenting troop levels. Quick and decisive action at the highest levels of the government, bringing in all stakeholders, is the need of the hour.

ECONOMICS & DEVELOPMENT

A Budget that drives growth with stability

The final Budget for 2024-25, to be presented on July 23, would be the first Budget of the new government is an opportunity for the government to provide its medium-term growth and employment perspective along with its policy priorities. Given the continued global economic slowdown, India will have to rely largely on domestic growth drivers. The short-term objective could be to ensure a minimum 7 % growth, while the medium-term objective may be to sustain the real GDP growth rate in the range of 7 % - 7.5 %. This would be facilitated by bringing down the fiscal deficit relative to GDP from the current levels to the Fiscal Responsibility and Budget Management (FRBM) consistent level of 3% in the next three to four years. The employment objective is not independent of the growth objective except for an additional emphasis on the relatively more labour-intensive sectors in the composition of output.

Investment and savings prospects

To ensure a 7% plus growth on a sustained basis, we require a real investment rate of 35 %. As in the latest available data for 2023-24, the real investment rate measured as gross fixed capital formation (GFCF), as percentage of GDP, was 33.3 for 2022-23 and 33.5 for 2023-24. Although gross capital formation (GCF) is marginally higher, we need to ensure a level of GFCF at 35 % or so in the medium-term to sustain a growth of 7 % plus, assuming an incremental capital output ratio of five. The saving to GDP ratio in nominal and real terms were 30.2% and 32.8%, respectively, in 2022-23. Assuming these trends continue, marginal upward adjustments are required in the savings and investment rates to ensure reaching and sustaining a level of 35 % of GDP for the GFCF. One point of concern is the recent fall in household sector financial savings which, as per available information for 2022-23, had fallen to 5.2% of Gross National Disposable Income. Since this provides the investible surplus in addition to inflow of foreign capital, it is critical to increase the household financial savings rate to facilitate access to investible surplus at reasonable rates for the private sector.

On the demand side, the contribution of net exports to GDP growth has remained negative or low in recent years due to subdued export prospects. It was at 0.5% points in 2022-23 and -2.0 % points in 2023-24. Indian service exports are expected to continue to do better than goods exports, which contracted in 2023-24. Until export demand picks up and private investment gathers momentum, India will have to rely on government investment demand to provide support to growth.

Budgetary options

Compared to the interim Budget, the Centre's revenue position is expected to improve on account of both higher tax and non-tax revenues. The base number for gross tax revenues (GTR) for 2023-24 at ₹34.65 lakh crore, according to the Controller General of Accounts (CGA) actuals, turned out to be higher than the revised estimates (RE) of the interim Budget by a margin of ₹27,581 crore. We expect a nominal GDP growth for 2024-25 to be at least 11%, made up of 7% real growth and 3.8% implicit price deflator (IPD)-based inflation. The rise in the IPD-based inflation as compared to the 2023-24 level of 1.3% is on account of expected higher Wholesale Price Index (WPI) inflation which was (-)0.7% in 2023-24. With a buoyancy of 1.1 and a GTR growth of 12.1%, we expect a GTR magnitude of ₹38.8 lakh crore. This would translate to a net tax revenue for the Centre at ₹26.4 lakh crore after providing for States' share in central taxes, a shade higher than ₹26 lakh crore provided in the interim Budget.

Non-tax revenues are also expected to be higher, as compared to the interim Budget estimates, due mainly to the Reserve Bank of India (RBI)'s augmented dividends of ₹2.11 lakh crore. We expect the Centre's non-tax revenues to exceed ₹5 lakh crore. It may be noted that any transfer from the RBI is going to be expansionary since it will have a liquidity effect. This transfer is similar to an extension of credit by the RBI to the government without being treated as debt. Thus, it has implications for monetary policy. However, the improved revenue situation of the central government would facilitate meeting the government's fiscal consolidation target.

Assuming that the government adheres to the 5.1% fiscal deficit to GDP ratio, as announced in the interim Budget, total expenditure that can be financed amounts to ₹49 lakh crore after taking into account some non-debt capital receipts. This will have to be allocated between revenue and capital expenditures. With the interim Budget expenditure magnitudes, revenue expenditure growth in 2024-25 turns out to be 4.6% over the CGA actuals for 2023-24. This growth may have to be increased to accommodate higher revenue expenditures on account of increased subsidies, increased health expenditures and increased allocations for the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to support and provide relief largely to the rural population.

Some improvement in rural incomes is expected in the current year with the expectation of it being a normal monsoon. Our estimates indicate that even if the revenue expenditure growth is enhanced to 8%, this would provide additional revenue expenditures close to ₹3 lakh crore over 2023-24 actuals. This would still leave fiscal space to provide for capital expenditure growth of 19.2% in 2024-25 which would be required for supporting investment demand resulting in infrastructure expansion that is consistent with the government's medium-term objectives. Some tax rationalisation measures may be undertaken as long as they do not imply any significant revenue sacrifice. Some expansion of the ongoing Production Linked Incentive (PLI) scheme, particularly if it supports employment generation, may be considered.

Commit to FRBM targets

In conclusion, the Budget needs to aim at combining growth with stability. Stability includes both price stability and fiscal stability. It is important to signal commitment to the FRBM targets in the short to medium term. If the fiscal deficit to GDP ratio is

brought down to 5.1% in 2024-25, it may take another three to four years to bring it down to 3% of GDP. As the fiscal deficit to GDP ratio is reduced and nominal GDP growth is kept in the range of 11%-11.5%, the debt GDP ratio and the interest payment to revenue receipts ratio would also come down, facilitating the reduction in fiscal deficit, thereby creating a virtuous cycle.

SCIENCE & TECHNOLOGY

The shape of manufacturing 3.0 for Modi 3.0

Prime Minister Narendra Modi has formed the government, albeit now as head of a coalition in his third term. The new government must redouble its efforts on economic reforms, particularly related to manufacturing. India's continued urbanisation will see hundreds of millions of agriculture workers relocate to cities to find formal employment in the coming decades. A failure to generate low-skilled employment could push staggering stress on India's governance structures. Success in manufacturing will not only help India's domestic trade and employment goals but also expand resources for national security — which is good for American interests, too.

Manufacturing base must improve

When the Modi government first took office in 2014, the government committed to increase manufacturing as a percent of gross domestic product (GDP) from 15% up to 25% by 2025. However, as World Bank data indicates, manufacturing is in relative decline, making up only 13% of the GDP in 2022. This compares unfavourably to markets such as Vietnam (25%), Bangladesh (22%), Malaysia (23%), Indonesia (18%), Mexico (21%), and, of course, China (28%).

India has powerful domestic compulsions to improve its manufacturing base. First, India has a massive employment-creation requirement. About half of Indian labour remains mired in low-productivity agriculture. If India's attempts to enact major farming reforms are successful, there could be a fast, massive transition of employment out of agriculture. These workers are ill-suited for India's highly successful skilled services sector.

A second reason behind India's desire to boost manufacturing is the nation's goods trade deficit. Despite a perception that India is "anti-trade", India had a little over \$1 trillion in goods trade in the last 12 months — and a \$250 billion deficit during that period. While hydrocarbon imports account for over one-quarter of India's imports, manufactured goods such as electronics are a substantial import component. When looking at trade more broadly, India enjoys a large surplus in services trade — about \$160 billion surplus in the last 12 months on \$518 billion in total services trade. But, again, even though the services sector creates substantial economic output, it employs relatively few workers.

The United States has a stake in India's success in building a robust manufacturing base for two reasons. First, improvements to India's industrial base will have direct and indirect effects on India's ability to underwrite its emerging role in regional security which is increasingly important given China's rising aggression. Second, some amount of manufacturing will not come back onshore. Having this manufacturing based in friendly countries improves the viability of U.S. supply chains. India's ability

to achieve greater success in manufacturing will require far more moving parts than what the central government in Delhi controls. Most factors of production such as electric power, water, sanitation, labour regulations, land acquisition rules, and environment regulations are primarily controlled by India's State governments. This is where the new Indian government needs to provide a much higher degree of policy attention.

States and their business environments

The Modi government's early attempts to stoke States into competition with each other have fallen by the wayside. The rankings of States' business environments called the "Business Reforms Action Plan (BRAP)", has not been updated since the COVID-19 pandemic, and was anyway considered weak as it focused on States' self-reporting on their local business practices which was often at odds with actual investor experiences. The central government's plan to help craft model industry laws for States to consider has been underwhelming.

Getting more States to focus on thoughtful, transparent industrial policies is a difficult task and will require an improved toolkit of sticks and carrots. The government should also consider putting stronger emphasis on job-creating manufacturing sectors such as textiles, paper mills, and furniture, instead of pushing almost exclusively for investments in capital-intensive sectors such as semiconductors and robotics.

Go beyond Delhi-Mumbai-Bengaluru circuit

The U.S. can play a modest but meaningful role in improving the business attractiveness of Indian States. This may include expanding engagement with Indian States to provide direct guidance on effective economic governance, and to improve pathways for potential investors to engage with State governments. Senior U.S. officials visiting India must commit to going beyond Delhi-Mumbai-Bengaluru and engaging a wider set of large States on the importance and opportunity from the current evolution of global supply chains.



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POLITY & GOVERNANCE

What is the draft Digital Competition Bill?

In February 2023, the Ministry of Corporate Affairs (MCA) constituted a Committee on Digital Competition Law (CDCL) to examine the need for a separate law on competition in digital markets. The CDCL deliberated on the issue for a year and came to the conclusion that there was a need to supplement the current ex-post framework under the Competition Act, 2002 with an ex-ante framework. It laid out this ex-ante framework in the draft Digital Competition Bill.

What is an ex-ante framework?

The Competition Act, 2002 is the primary legislation concerned for preventing practices that have an adverse effect on competition. It establishes the Competition Commission of India (CCI) as the national competition regulator. As with competition law in all other jurisdictions, the Competition Act, 2002 is based on an ex-post framework. This means that the CCI can use its powers of enforcement only after the anti-competitive conduct has occurred.

In the case of digital markets, the CDCL has advocated for an ex-ante competition regulation. This means that they want the CCI's enforcement powers to be supplemented such that it allows it to pre-empt and prevent digital enterprises from indulging in anti-competitive conduct in the first place.

Ex-ante competition regulation is unusual. The European Union is the only jurisdiction where a comprehensive ex-ante competition framework, under the Digital Markets Act, is currently in force. The CDCL agrees with this approach because of the unique characteristics of digital markets. First, digital enterprises enjoy economies of scale and economies of scope, that is, reduction in cost of production per unit as the number of units increase and reduction in total costs of production with increase in number of services respectively. This propels them to grow rather quickly as compared to players in the traditional market. Second, this growth is aided by network effects — utility of the digital services increases with the increase in the number of users.

In this context, given that markets can tip relatively quickly and irreversibly in favour of the incumbents, it was found that the extant framework provided for a time-consuming process, allowing offending actors to escape timely scrutiny. Therefore, the CDCL has advocated for preventative obligations to supplement the ex-post factio enforcement framework.

What is the draft's basic framework?

The draft Bill follows the template of the EU's Digital Markets Act. It does not intend to regulate all digital enterprises, and places obligations only on those that are "dominant" in digital market segments. At present, the draft Bill identifies ten 'core digital services' such as online search engines, social networking services, video sharing platform services etc. The draft Bill prescribes certain quantitative standards for the CCI to identify dominance of digital enterprises. These are based on the 'significant financial strength' test which looks at financial parameters and 'significant spread' test based on the number of users in India. Even if the digital enterprise does not meet quantitative standards, the CCI may designate an entity as a "systemically significant digital enterprise (SSDE)" based on qualitative standards.

The primary obligation of SSDEs is to not indulge in anti-competitive practices. These require the SSDE to operate in a fair, non-discriminatory and transparent manner with its users. The draft Bill prohibits SSDEs from favouring its own products on its platform over those of third parties (self-preferencing); restricting availability of third-party applications and not allowing users to change default settings; restricting businesses users of the service from directly communicating with their end users (anti-steering) and tying or bundling of non-essential services to the service being demanded by the user. SSDEs also cannot cross utilise user data collected from the core digital service for another service and non-public data of users cannot be used to give unfair advantage to the SSDE's own service.

What has been the response?

The overriding sentiment towards the draft Bill has been one of opposition. First, there is considerable scepticism on how well an ex-ante model of regulation will work. This stems in part from the fact that it seems to be transposed from the EU to India without taking into account differentiating factors between the two jurisdictions and the lack of evidence of it actually working well there. This is compounded by concerns of its potential negative effects on investments for start-ups in India and that they might be deterred to scale up to prevent meeting quantitative thresholds. Studies have also shown that restrictions on tying and bundling and data usage would negatively impact MSMEs that have come to rely significantly on big tech to reduce operational costs and enhance customer outreach.

Interestingly, a group of Indian start-ups have supported the draft Bill arguing that it would address concerns against monopolistic practices by big tech. However, they have argued for a revision of financial and user based thresholds citing concerns that it may lead to domestic start-ups being brought within the regulatory net.

INTERNATIONAL RELATIONS

India, Russia to boost bilateral trade to \$100 billion by 2030



India and Russia agreed to increase bilateral trade to \$ 100 billion dollars by 2030, including the use of national currencies to circumvent Western sanctions, as Prime Minister Narendra Modi and Russian President Vladimir Putin sat down for the 22nd Annual Summit.

The leaders agreed to a cooperation statement on projects in Russia's Far East that Mr. Putin has been focused on developing. A joint vision statement on trade and economic cooperation by the end of the decade looked at nine issues including the elimination of non-tariff barriers, the development of a "bilateral settlement system using national currencies", ironing out customs procedures and using new connectivity routes, including the Chennai-Vladivostok maritime route and Northern Sea Route and the International North-South Transport Corridor via Iran, investments in the energy sector including nuclear energy, infrastructure development and investment promotion as "priority areas".

In addition, India and Russia signed a number of MoUs between institutions on climate change, polar research, legal arbitration and pharmaceutical certification and other issues. Earlier, addressing about 500 members of the Indian diaspora in Russia, Mr. Modi announced that Russia had agreed to India's request to open consulates in Kazan and Yekaterinburg to help facilitate services for the growing community.

The bilateral trade target set by the leaders should be reasonably easy to achieve, given that, already, trade stands at around \$ 65 billion, mostly because of the surge in India's imports of Russian crude at discount after the invasion of Ukraine led to the oil sanctions by the U.S. and Europe. In his preliminary comments, Mr. Putin said Russia-India trade grew by 66 % last year and 20 % just in the first quarter of 2024.

Achieving the target would catapult the business relationship to levels of trade India currently has only with bigger economies such as the U.S., China and the European Union. The focus on economic issues was a shift from previous Annual Summits where military supplies and the defence and strategic partnership between the two countries had been at the top of the agenda.

Officials said that the two leaders discussed the delay in defence supplies, and have committed to exploring more areas of co-production of defence equipment such as the India-Russia joint venture for assault rifles that could fill the domestic gap as well as facilitate export to other countries. The Prime Minister accepted Russia's highest civilian honour, the Order of St Andrew the Apostle, an award that had been announced by President Putin in 2019, but could only be presented now. He also invited Mr. Modi to return in a few months to the Russian city of Kazan where he will host the first "Extended BRICS" summit.

INTERNATIONAL RELATIONS

New Delhi and Moscow call for 'zero tolerance' towards terrorism



India and Russia on Tuesday called for "zero tolerance" for terrorism and pressed for an "uncompromising fight" against the international menace as they stressed the importance of increasing global cooperation without hidden agendas and double standards, in a veiled jibe at Pakistan and its all-weather ally China. A joint statement issued after the talks between Prime Minister Narendra Modi and Russian President Vladimir Putin strongly condemned the dastardly terrorist attacks, including one on an Army convoy in Kathua area of Jammu & Kashmir on Monday, and stressed that these terrorist attacks are a grim reminder for further strengthening cooperation to combat terrorism.

'Uncompromising fight'

The two sides called for "an uncompromising fight against international terrorism and extremism" in all their forms and manifestations, noting the importance of increasing cooperation in this area, without hidden agendas and double standards on the solid basis of international law and the UN Charter, in an apparent reference to Pakistan and its all-weather ally China which has often put on hold on proposals in the United Nations to blacklist the Pakistan-based wanted terrorists.

Besides, they stressed the need for firm implementation of relevant resolutions of the UN Security Council, the UN General Assembly, as well as the implementation of the UN Global Counter-Terrorism Strategy, the joint statement said.

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—Benjamin Franklin

INTERNAL SECURITY

Apex Kuki tribes body calls for 12-hour shutdown in Manipur

The Kuki Inpi Manipur (KIM), an apex body of Kuki tribes in Manipur, on Tuesday called for a 12-hour shutdown across all Kuki-Zo dominated districts of the State over the arrest of five purported village volunteers from their community by the security forces in the last two days, with some women's groups of the Kuki-Zo community alleging that personnel of the security forces had beaten local women who were protesting the detention.

The latest of the arrests came early on Tuesday morning in Kangpokpi district, with the Manipur police stating that the three individuals arrested were "armed cadres of an underground outfit", who were later handed over to the National Investigation Agency (NIA). The police denied allegations levelled against the security forces about their conduct during the operations.

Ammunition seized

The three persons arrested were identified by the police as Thangjoel Haokip, Jangjoulen Khongsai, and Jangminlun Singson, with the police adding they also recovered two AK rifles, one MA-1 MK3 rifle, and one SBBL along with over 1,000 rounds of assorted ammunitions.

The KIM said these arrests and detentions come even as Central and State forces were allegedly "turning a blind eye" to the movement and activities of the Meitei militants and Arambai Tenggol in the Imphal area.

ECONOMICS & DEVELOPMENT

'Note ban, GST, COVID cost ₹11.3 lakh cr. and 1.6 cr. informal jobs'

Costly shocks

'The informal sector suffered economic loss and destruction of jobs in the wake of demonetisation, GST roll-out, pandemic'

- The loss, particularly to the informal sector is estimated at 4.3% of GDP in 2022-23
- Rating firm draws data from recently released official ASUSE survey
- Unorganised sector contributes more than 44% to India's GVA



The economic loss, particularly to the informal sector owing to the cumulative impact of macroeconomic shocks since 2016, including the demonetisation of high-value currency notes, the roll-out of the Goods and Services Tax (GST) and the COVID-19 pandemic, is estimated at 4.3% of GDP in 2022-23 or ₹11.3 lakh crore, India Ratings and Research said on Tuesday.

Noting that the sector was "severely impacted" by the macroeconomic shocks, India Ratings' principal economist Sunil Kumar Sinha estimated that 63 lakh informal enterprises shut down

between 2015-16 and 2022-23, with about 1.6 crore jobs lost. This period also coincided with the rise in the formalisation of the economy, which led to robust tax collections. While formalisation of the economy is the way forward, the reduced unorganised sector footprint has implications for employment generation.

In FY23, the Gross-Value Added (GVA) in the economy by such unincorporated enterprises was still 1.6% below FY16 levels. Moreover, their compounded annual growth rate (CAGR) was 7.4% between FY11 and FY16, but slid into a 0.2% contraction since then, the rating firm reckoned based on the recently released findings of the official Annual Survey of Unincorporated Sector Enterprises (ASUSE).

As per the survey, the number of establishments in the non-agricultural sector rose to 6.5 crore in FY23 from 5.97 crore in FY22, with employment rising to 10.96 crore from 9.79 crore workers. However, this was lower than the 11.13 crore people employed in the sector in the 'pre-shock period' of FY16. This was primarily due to a decline in manufacturing jobs which stood at 3.06 crore in FY23, compared with 3.6 crore in FY16.

The latest data suggests that the real GVA of unincorporated firms in manufacturing, trade and other services (MTO) was ₹9.51 lakh crore in FY23, with an 18.2% share in India's real MTO GVA, falling sharply from 25.7% in FY16.

'Sharper shrinkage'

The shrinkage has been sharper in other services and trade... the informal sector's share dropped to 32.3% and 21.2% in FY23 from the pre-shock level of 46.9% and 34.3%, respectively. In the manufacturing sector, the share of the informal sector fell to 10.2%, from 12.5% during the same period.

The unorganised sector contributes over 44% to India's GVA and employs almost 75% of the work force employed in non-agricultural enterprises, as per the 2022-23 Periodic Labour Force Survey. The size of unincorporated sector enterprises (USE) was ₹15.4 lakh crore in FY23, growing at a CAGR of 4.3% between FY16 and FY23, compared with a CAGR of 12.9% recorded between FY11 and FY16.



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INTERNAL SECURITY

In 2024, Maoists suffer severe setbacks in Chhattisgarh

Left-wing extremism in retreat

The charts are based on data sourced from the South Asia Terrorism Portal

Chart 1: The chart shows the number of Maoist deaths in Chhattisgarh

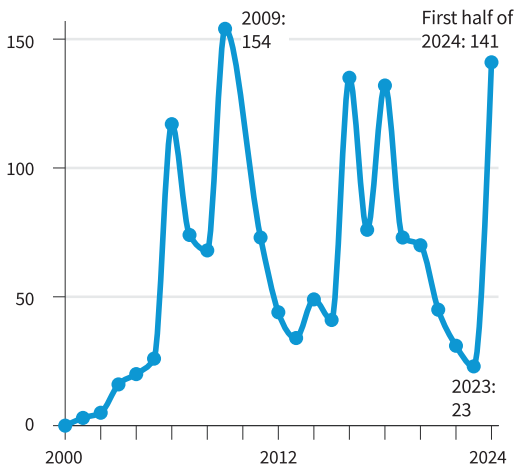


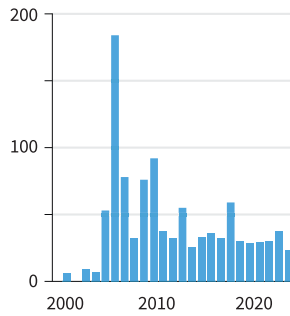
Table 3: The district-wise average number of deaths in incidents related to LWE every four years. Based on this table, Dantewada, Bijapur, Sukma, Bastar, Narayanpur, Kanker, Rajnandangaon and Surguja can be identified as districts that were recently or historically affected by LWE

Districts in Chhattisgarh	2001-04	2005-08	2009-12	2013-16	2017-20	2021-24
Dantewada	31	52	40	11	12	17
Bijapur	5	22	26	28	23	30
Sukma	0	0	4	35	36	20
Bastar	37	8	4	8	4	1
Narayanpur	0	4	6	8	8	14
Kanker	1	7	7	5	7	12
Rajnandangaon	3	1	6	2	7	2
Surguja	16	4	0	0	0	0
Kondagaon	0	0	1	3	1	2
Balrampur	4	1	0	0	0	0
Raipur	3	0	2	0	0	0
Dhamtari	0	0	2	0	2	1
Gariaband	0	0	2	0	0	1
Mohalampur	0	0	0	0	0	1
Raigarh	0	0	0	0	0	0
Durg	0	0	0	0	0	0
Kabirdham	0	0	0	0	0	0
Jashpur	0	0	0	0	0	0
Bilaspur	0	0	0	0	0	0
Balod	0	0	0	0	0	0
Janjgir-Champa	0	0	0	0	0	0
Korba	0	0	0	0	0	0
Mahasamund	0	0	0	0	0	0

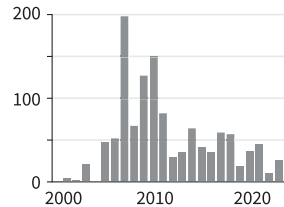
The district names in table 3 and table 4 may differ as the sources and reference years are different

Chart 2: The chart shows the number of deaths of civilians, security forces, and Maoists over the years

Deaths of civilians



Deaths of security forces



Deaths of extremists

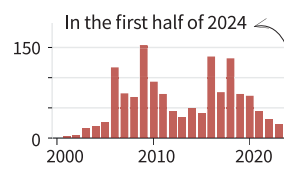


Table 4: A district-wise look at development and welfare indicators in Chhattisgarh. A comparison with Table 3 reveals that the intensity of the insurgency is the highest among districts which were relatively lacking in areas such as sanitation, literacy, and which recorded stunting

Districts in Chhattisgarh	Affected/Limited (Ltd.) impact due to LWE	Population using an improved sanitation facility (%)	Women with >9 years of schooling (%)	Children under 5 years who are stunted (%)
Bijapur	Affected	30.6	24.2	53.8
Bastar	Affected	61	25.3	48.1
Dantewada	Affected	60.5	24.2	45.6
Narayanpur	Affected	52.8	26.5	43.7
Sukma	Affected	35.5	15.9	41.8
Baloda Bazar	Ltd. impact	78.9	38.7	40.9
Raigarh	Ltd. impact	66.3	38.3	39.1
Durg	Ltd. impact	89.5	52.7	38.9
Bemetara	Ltd. impact	80.5	33	38.4
Kabeerdham	Ltd. impact	80.3	32.6	37.9
Kondagaon	Affected	79.5	24.7	37.6
Mahasamund	Ltd. impact	84.2	31.2	36.8
Jashpur	Ltd. impact	72.8	34.9	35.8
Balrampur	Ltd. impact	57.3	32.2	35.1
Korba	Ltd. impact	73.3	37.1	34.7
Balod	Ltd. impact	83.8	46.3	33.6
Janjgir - Champa	Ltd. impact	78.8	37.3	32.5
Raipur	Ltd. impact	84	40.1	32.2
Koriya	Affected	73.3	37	32.1
Dhamtari	Ltd. impact	89.8	40.9	30.5
Mungeli	Ltd. impact	80.7	32.2	30.1
Surguja	Affected	75.8	37.7	29.4
Gariyaband	Ltd. impact	81	27.8	28.9
Rajnandgaon	Affected	79.2	38.9	27.6
Surajpur	Affected	75.4	30.7	27.6
Bilaspur	Ltd. impact	80.5	37.4	25.7
Kanker	Affected	80.5	40.3	24.8

In all the three indicators, the districts with the lowest scores are highlighted. Affected districts fare poorly across all three indicators

As of July 9, 162 Maoist deaths were reported in India in 2024. Of these, 141 deaths were reported from Chhattisgarh alone. This is among the highest number of casualties suffered by the extremists in the largely tribal State since the formation of the Communist Party of India (Maoist) in 2004.

The Maoist deaths in 2024 are the highest since 2009, when 154 insurgents were killed. That was also the year when the Indian government banned the group and launched a military offensive code-named 'Operation Green Hunt', involving the Central Reserve Police Force's CoBRA force and the Chhattisgarh police in "search and comb" operations. Notably, the current spike in the number of deaths of left-wing extremists has taken place after the Bharatiya Janata Party returned to power in the State in December 2023.

The number of civilian deaths during the insurgency has also been at its lowest since 2014, when 23 people were killed in Maoist attacks. The highest number of civilian deaths (184) were reported in 2006, largely in landmine attacks on vehicles or when they were caught in the crossfire between the Maoists and security forces. The highest number of clashes between the Maoists and security forces this year took place in Bijapur district, south Chhattisgarh, resulting in 74 Maoist deaths. Bijapur and neighbouring Sukma district are home to 20 camps set up by the Border Security Force (BSF). Due to the intensity of operations in this district, 33 Maoists surrendered in May.

The BSF and the District Reserve Guard of Kanker district led a joint operation in April which resulted in the deaths of 29 Maoists, including that of their top commander, Shankar Rao. This year, 35 Maoist deaths have been recorded in Kanker. In Dantewada, where pitched battles between the insurgents and security forces over the years led to an average 52 deaths of Maoists between

2005 and 2008, 15 Maoists were killed in 2024. This is despite the fact that more than 15 villages in the district were declared 'Maoist-free' in 2021.

Districts such as Dantewada, Bijapur, Sukma, Bastar, and Kanker are also the most forested areas in the State, which makes

security operations difficult. Notwithstanding the setbacks in recent months, the Maoists retain their ability to mount surprise attacks on security forces, which suggests that the insurgency is not over in the State.

INTERNATIONAL RELATIONS

French parties scramble to gather allies after polls return inconclusive results

French parties sought to gather allies on Tuesday, with the government adrift following an election in which no one political force claimed a clear majority. Having defied expectations to top the polls, new MPs from the left-wing New Popular Front (NFP) alliance began showing up in parliament ahead of a first session on July 18.

But the coalition of Greens, Socialists, Communists and the hard-left France Unbowed (LFI) is still debating over who to put forward as a potential Prime Minister and whether it could be open to working in a broader coalition. Combined, the left-leaning parties hold 193 of 577 seats in the National Assembly and are well short

of the 289-seat threshold for a majority. Nevertheless, members plan to name a potential Prime Minister "by the end of the week".

Mr. Macron's camp came second in Sunday's vote, taking 164 seats after voters came together to block the far-right National Rally (RN) from power. In a sign that some divisions remain, the left parties' MPs planned to enter parliament at different times throughout the day.

The Socialists are still hoping to glean a few more members for their group to outweigh LFI and have a greater say over the alliance's direction. Meanwhile, members of Mr. Macron's camp were eyeing both the centre-left Socialists and conservative Republicans as possible allies. The centrist bloc is ready to talk to all the members of the republican spectrum," Stephane Sejourne, head of Macron's Renaissance party said, while naming red lines including that coalition members must support the EU and Ukraine and maintain business-friendly policies.



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