TOPICS COVERED

Microsoft update flaw triggers worldwide chaos

| Faulty update by CrowdStrike, a Texas-based cybersecurity firm, causes outages for millions | Digital systems in aviation, banking, hospitals, TV channels and telecommunications collapse | Flights around the world and in India delayed for hours or cancelled; passengers stuck |

Aroon Deep
NEW DELHI

A faulty update knocked out several Windows computers and servers around the world on Friday, sending them through a boot loop featuring a so-called blue screen of death, disrupting aviation, banking, telecommunications, hospitals, TV channels and other companies around the world.

The update was part of the Falcon endpoint threat detection and response product developed by CrowdStrike, a Texas-based cybersecurity firm.

Flights were briefly grounded in the United States, with airports reeling under a complete collapse of their digital systems around the world. In India, airlines started checking passengers in manually at airports serving Bengaluru, Chennai, New Delhi, Hyderabad, Kochi, Thiruvananthapuram and Mumbai, among others, issuing handwritten boarding passes as blue error screens took over flight information display boards.

Many flights were delayed for hours or cancelled, with IndiGo alone cancelling at least 283 trips on Friday and Saturday. Other airlines such as Akasa Air, SpiceJet, Vistara, Air India, and Air India Express did not provide details of their cancellations. The issues began at 3.30 a.m. and hit Indian airports and airlines when their systems received the faulty update.

Bangalore International Airport Ltd said in a statement that airports were facing issues due to downtime affecting a departure control system developed by the firm Navitaire.

Civil Aviation Minister Kinjarapu Ram Mohan Naidu urged airlines to accommodate affected passengers with food and water during the delays.

Airlines were able to implement the fix to some extent and restore digitised boarding procedures. However, airline executives warned that the disruption would "cascade" over subsequent days, due to planes reaching late for subsequent flights.

The Union government's eOffice suite for processing files and paperwork was also impacted for two hours, according to a source.

Minister for Electronics and Information Technology Ashwini Vaishnaw said the National Informatics Centre was not impacted.

Recovery process
While Crowdstrike has withdrawn the faulty update and says it has issued a fix, network and IT administrators have had to manually execute a manual four-step recovery process to fix affected systems, as computers and servers need to boot completely to download the fixed software.

The Indian Computer Emergency Team (CERT-in) under the Ministry of Electronics and Information Technology shared these steps in an advisory in the afternoon.

Mr. Vaishnaw said the government was "continuously" engaging with Microsoft, and that CERT-in was talking to chief information security officers at various critical infrastructure entities. "All impacted entities are working to bring up their systems," Mr. Vaishnaw said.

Maruti Suzuki India Ltd said in a stock filing that "production/despatch operations were briefly halted" in the firm, but that they had fixed the bug internally.

CrowdStrike CEO George Kurtz told a U.S. news channel that he was "deeply sorry" about the disruptions and said the firm would extend support to impacted customers. Microsoft said in a statement that it is "actively supporting customers to assist in their recovery."

OUTAGE EXPLAINED
» PAGE 4

In a freeze: Passengers wait at Mumbai airport terminal as services were hit on Friday. EMMANUAL YOGINI

Trainees from King Fahd Naval Academy of the Royal Saudi Naval Forces during their afloat training course at the First Training Squadron of the Indian Navy in Kochi, Kerala. Seventy-six Saudi Naval cadets completed their course. PTI

Union Public Service Commission (UPSC)
- Independent constitutional body, powers defined in Articles 315-323.
- Responsible for recruitment to All India Services, Central Services - Group A & B.
- Advises government on promotion and disciplinary matters.

Composition and Appointment:
- Consists of a Chairman and other members appointed by the President of India.
- Commission's strength (9-11 members including the Chairman) determined by the President.
- No specific qualifications required, except half the members must have served at least 10 years in central or state government.
- President determines the conditions of service for the Chairman and members.
- Term of office: 6 years or until 65 years of age, whichever is earlier.

SC to hear plea to probe *'quid pro quo'* via electoral bonds

The Hindu Bureau
NEW DELHI

Chief Justice of India D.Y. Chandrachud, on Friday, said a petition seeking the constitution of a Special Investigation Team to probe each and every instance of *quid pro quo*, corruption, and kickbacks revealed through the disclosure of details of the electoral bonds would be listed for hearing on July 22.

The petition was filed by Common Cause and Centre for Public Interest Litigation, represented by advocates Prashant Bhushan, Neha Rathi, and Cheryl D'Souza.

The petition submitted that some of the country's main investigative agencies like the CBI, ED, and the Income Tax Department "appear to have become accessories to corruption".

Several firms that were under investigation by these agencies have donated large sums of money to the ruling party, potentially to influence the outcomes of probes, the petition has said.

"Thus, the investigation, in this case, would not only need to unravel the entire conspiracy in each instance, but also the officers concerned of agencies like the ED/I-T and CBI, etc., who appear to have become part of this conspiracy," it said.

Referring to reports and extensive data mining done by *The Hindu* and other media outlets, the petition has said the information published reveals that the bulk of the bonds appear to have been given as *quid pro quo* arrangements by corporate firms to political parties.

'Largest scam'

"Though these apparent payoffs amount to several thousand crores, they appear to have influenced contracts worth lakhs of crores and regulatory inaction by agencies worth thousands of crores and also appear to have allowed substandard or dangerous drugs to be sold in the market, endangering the lives of millions of people in the country. That is why the electoral bonds scam has been called by many astute observers as the largest scam in India so far, and perhaps in the world," the petition has said.

Interfaith couple get protection under UCC (20 July)

- Uttarakhand High Court allowed protection to an interfaith couple in a live-in relationship under the new Uniform Civil Code of Uttarakhand Act.
- The couple must apply for mandatory registration under the Act within 48 hours.
- The petition was filed by a 26-year-old Hindu woman and a 21-year-old Muslim man facing threats from the woman's family.
- Under the Act, live-in partners in Uttarakhand must submit a statement of their relationship to the nearest registrar.
- The court directed the SHO, PS Dalanwala, Dehradun, to provide protection to the couple for six weeks if they apply for registration within 48 hours.

Living in denial about unemployment

Recently, citing a Reserve Bank of India (RBI) report that said that 8 crore jobs have been created in the last 3-4 years, Prime Minister Narendra Modi accused the Opposition of creating false narratives about unemployment. He also said that a lot of infrastructure projects are coming up, which will create more jobs. This was not only an attempt to counter the narrative of high unemployment which has been bothering the ruling party, but also a response to a flurry of reports from financial institutions, such as Citigroup, in July, which pointed to inadequacy of employment generation in India.

Arun Kumar

retired professor of economics, Jawaharlal Nehru University, and author of 'Indian Economy's Greatest Crisis: Impact of the Coronavirus and the Road Ahead'. 2020

Conflicting reports and statements

Mr. Modi quoted a RBI 'Data Manual' released on July 7, called 'The India KLEMS Database', which "...describes the procedures, methodologies and approaches used in the construction of India KLEMS database version 2024. The dataset includes measures of Gross Value Added, Gross Value of Output, Labour Employment, Labour Quality, Capital Stock, Capital Composition... The database covers 27 industries comprising the entire Indian economy."

Soon after the RBI released this, the State Bank of India (SBI) came out with its own report to counter the financial institutions' reports. It said, "Even if we exclude Agriculture, the total number of jobs created in manufacturing and services is at 8.9 crore during FY14-FY23 and 6.6 crore during FY04-FY14." It added, "The total labour force in India is at 59.7 crore, which is nearly equivalent to 56.8 crore as per the recently released ASUSE [Annual Survey of Unincorporated Sector Enterprises] survey. This total number of labour force is significantly different from private employment surveys."

However, the Centre for Monitoring Indian Economy (CMIE), a private data-gathering agency which publishes data on employment and unemployment, reported in July that in June 2024, the unemployment rate had risen to an eight-month high of 9.2% up from 7% in the previous month. This was contrary to the official narrative of massive employment generation.

What is a citizen to make of these conflicting reports and statements? Ground reports suggest that unemployment is a major issue. In February, about 47 lakh applicants appeared for an exam to select around 60,000 constables in Uttar Pradesh. In 2022, 1.25 crore aspirants applied for the Railway Recruitment Board's Non-Technical Popular Categories recruitment exam. There were protests in Bihar, Uttar Pradesh and other

Public confusion over the extent of unemployment is a result of the differences in the various data bases used

States when the Agnipath scheme was announced in 2022. Indeed, the situation for the educated youth is grim, yet we expect them to be in the vanguard of 'demographic dividend'.

Public confusion over the extent of unemployment is a result of the differences in the various data bases used. Let us examine these.

KLEMS data

The most recently cited KLEMS data is "a comprehensive measurement tool to monitor and evaluate productivity growth in the Indian economy". It does not estimate employment but uses the official data available. For labour input it uses the Employment and Unemployment Surveys (EUS) by the National Sample Survey Office (NSSO), conducted between 1983 and 2011-12, and the Periodic Labour Force Survey (PLFS)." Clearly, the KLEMS data is based on official data from the PLFS, the ASUSE survey, etc. Given this, why would the employment series from KLEMS differ from the total employment figure given by government agencies? So, neither the Prime Minister nor the SBI should present KLEMS data as an independent source of employment data. Clearly, the officers and economists briefing Mr. Modi misguided him.

Why do different sources give widely varying estimates of employment? This is due to the highly complex structure of the Indian economy and the paucity of reliable data. India consists of the organised and the unorganised sectors. The data for the organised sector is available from statutorily published annual data. That is not the case for the unorganised sector, which employs 94% of the labour force. No other big country has such a huge unorganised sector for which data are sparse. This sector consists of possibly 11 crore farms and 6.5 crore MSME units. Surveying them annually is difficult. Data have been collected periodically via the Census every 10 years and the ASUSE survey every five years. The government is now committed to bringing out the ASUSE survey annually. But ASUSE survey data in turn depend on data from the Census and the Urban Frame Survey (UFS). There has been no Census since 2011 and UFS data apparently pertain to 2012-17. So, outdated data are being used.

Normally, in the absence of current data, earlier data should be acceptable. But 2016-2024 was an abnormal period with four shocks to the economy: demonetisation in 2016, introduction of the Goods and Services Tax, the Non-Banking Financial Companies crisis, and the COVID-19 pandemic. When shocks occur, use of pre-shock data for sampling creates problems due to structural changes. These four shocks specifically impacted the unorganised sector, the one that the ASUSE survey seeks to estimate. Many units closed down due to lack of working capital. People migrated, the size of towns and villages changed. Thus, a sample based on the 2011 Census would not be appropriate. Closures will not be captured and only the surviving units will be a part of the sample. The ASUSE 2024 Report says, "... 16,382 FSUs (8,495 in rural and 7,887 in urban) have been surveyed; and the total number of establishments surveyed has been 4,58,938 (2,58,296 in rural areas and 2,00,642 in urban areas). ASUSE 2022-23 gives an estimate of 6.50 crore establishments..."

Due to the shocks, the rural-urban ratio and the ratio of smaller and larger units would have changed. This could give an upward bias to the number of establishments and their employment.

Differences in PLFS and CMIE

PLFS is the other official data source quoted widely. It differs greatly from the CMIE data. This has to do with differences in definitions, such as who is counted as employed. The CMIE adopts the International Labour Organization definition and counts only those who get an income from work as employed. PLFS counts those who are working even if they do not get an income from it. So, those giving free labour or those who sit in fields but have no work also get counted as employed by PLFS. Consequently, in the last few years, PLFS has given around 50%-55% labour force participation, while CMIE says the figure stands at 40%-45%. That means there is a huge difference of about 90 million between the two. The question then is, doesn't nearly everyone do something or the other? There are millions of home makers doing work, for example. Further, PLFS counts the disguised unemployed and the under-employed. So, as far as PLFS is concerned, almost no one is unemployed, while CMIE tells us how many have simply given up looking for work. That is also unemployment, which the official data do not recognise.

The ground-level situation of unemployment is apparent from the frequent reports about the youth struggling to get work and facing issues in examinations. But the government is in denial. Recently, the officials have denied the problems of using data that have holes in them or of citing KLEMS data from the RBI, which does not independently estimate employment. Why not admit the problem and act, lest the growing youth frustration boil over?

Living in denial about unemployment (20 July)

- Prime Minister Narendra Modi cited an RBI report claiming 8 crore jobs were created in the last 3-4 years to counter opposition claims of high unemployment.
- Modi highlighted upcoming infrastructure projects expected to create more jobs.
- This statement counters reports from financial institutions like Citigroup suggesting inadequate job generation.
- Modi referenced the RBI's 'The India KLEMS Database,' detailing various economic measures and employment data.
- The State Bank of India (SBI) released a report stating 8.9 crore jobs were created in manufacturing and services from FY14-FY23, compared to 6.6 crore in FY04-FY14.
- The SBI report claimed the total labor force in India is 59.7 crore, aligning with the Annual Survey of Unincorporated Sector Enterprises (ASUSE).
- The Centre for Monitoring Indian Economy (CMIE) reported a rise in unemployment to 9.2% in June 2024, contradicting official job creation claims.
- Ground reports indicate significant unemployment, with high competition for government jobs and protests over schemes like Agnipath.
- Public confusion arises from differing data sources and reports on employment and unemployment.

- Ground reports indicate significant unemployment, with high competition for government jobs and protests over schemes like Agnipath.
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KLEMS data

- The KLEMS data is used to monitor and evaluate productivity growth and relies on official data like the Periodic Labour Force Survey (PLFS) and the Employment and Unemployment Surveys (EUS) by the National Sample Survey Office (NSSO).
- KLEMS does not estimate employment independently; it uses official sources.
- The employment figures from KLEMS should align with government data, not differ from them.
- The Prime Minister and SBI were misguided in presenting KLEMS data as an independent source of employment data.
- The Indian economy's complex structure and lack of reliable data cause varying employment estimates.
- The organized sector data is available, but the unorganized sector, which employs 94% of the labor force, lacks comprehensive data.
- The unorganized sector includes 11 crore farms and 6.5 crore MSMEs, making annual surveys difficult.
- Data is collected periodically through the Census every 10 years and the ASUSE survey every five years.
- No Census has been conducted since 2011, and UFS data pertains to 2012-17, leading to outdated information.
- The period from 2016 to 2024 saw four economic shocks: demonetization, GST introduction, the NBFC crisis, and COVID-19, affecting data accuracy.
- Pre-shock data is not reliable for current estimates due to structural changes in the economy.
- The ASUSE 2024 report surveyed 16,382 FSUs and 4,58,938 establishments, estimating 6.50 crore establishments.
- Economic shocks changed rural-urban ratios and the size of units, potentially causing bias in the number of establishments and their employment.

Differences in PLFS and CMIE

- The PLFS and CMIE data differ significantly due to different definitions of employment.
- CMIE uses the International Labour Organization definition, counting only those with income from work as employed.
- PLFS counts individuals as employed even if they don't receive income, including those giving free labor or without work but present in fields.
- PLFS reports 50%-55% labor force participation, while CMIE reports 40%-45%, leading to a difference of about 90 million.
- PLFS includes homemakers and the disguised unemployed, showing nearly everyone as employed.
- CMIE identifies those who have stopped looking for work as unemployed, which PLFS does not recognize.
- Youth unemployment is evident from reports of struggles to find work and issues in examinations.
- The government denies the unemployment problem, relying on data with gaps and citing KLEMS data that does not independently estimate employment.
- Acknowledging and addressing the problem is crucial to prevent growing youth frustration from escalating.

Employees' Provident Fund Organisation (EPFO)
- The Employees' Provident Fund Organisation (EPFO) is a statutory body of the Government of India responsible for administering the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

It's a social security organization that provides various benefits to employees, including:
- Provident Fund: This is a retirement savings scheme where both the employer and employee contribute a certain percentage of their salary to a fund. The accumulated funds with interest are payable to the employee on retirement, death, or resignation.
- Pension Scheme: The EPF scheme also includes a pension scheme that provides a monthly pension to eligible employees after they retire.
- Insurance Scheme: The EPFO also provides a life insurance cover for employees in case of death during employment. This scheme offers a lump sum payment to the nominee.
- Deposit-Linked Insurance Scheme: This scheme provides insurance coverage for the employee's deposits in the Provident Fund account.
- Other Benefits: The EPFO also offers other benefits like housing loans, education loans, and medical assistance.

Key Features of EPFO:
- Mandatory: It's mandatory for all establishments employing 20 or more persons to register with EPFO.
- Contribution: Both the employer and employee contribute to the Provident Fund.
- Tax Benefits: Contributions made to the EPF are eligible for tax deductions under Section 80C of the Income Tax Act.
- Government Regulation: The EPFO is governed by the Ministry of Labour and Employment.
- Transparent & Secure: EPFO operates a transparent and secure system for managing employee funds.

Benefits of EPFO:
- Retirement Security: Provides a steady income stream during retirement.
- Financial Security: Offers financial protection in case of death or disability.
- Tax Savings: Contributions are eligible for tax deductions.
- Social Security: Helps in building a strong social security system for employees.

Organised and Unorganised Sectors

- The organised sector encompasses all establishments that are registered with the government and comply with labor laws, including payment of minimum wages, social security benefits, and working conditions.
- This sector is characterized by formal employment, structured working hours, and a higher level of productivity.

Key features:
- Registration: All units are registered with relevant authorities.

- **Labor Laws:** Comply with labor laws, ensuring minimum wages, social security benefits, and safe working conditions.
- **Structured Operations:** Formal employment with defined roles, fixed working hours, and clear hierarchies.
- **Higher Productivity:** Efficient production processes due to mechanization, technology, and skilled workforce.
- **Taxation:** Subject to income tax and other taxes.

Examples:
- **Public sector undertakings (PSUs)**
- **Large private companies**
- **Multinational corporations**
- **Factories**
- **Banks and financial institutions**

Unorganised Sector:
- **The unorganised sector includes all establishments that are not registered with the government and do not adhere to labor laws.**
- **It comprises a diverse range of activities, often characterized by informal employment, irregular work hours, and low levels of productivity.**

Key features:
- **Informal: No registration or formal contracts.**
- **Lack of Labor Laws: Workers often face exploitation, with no minimum wages, social security benefits, or safety regulations.**
- **Unstable Work: Highly susceptible to seasonal fluctuations and economic downturns.**
- **Lower Productivity: Limited access to capital, technology, and training leads to lower efficiency.**
- **Tax Avoidance: Often operate outside the tax net, contributing to lower government revenue.**

Examples:
- **Street vendors**
- **Small workshops and factories**
- **Domestic workers**
- **Small retailers**
- **Agriculture**

Differences between Organised and Unorganised Sectors:

Feature	Organised Sector	Unorganised Sector
Registration	Registered with government	Unregistered
Labor Laws	Comply with labor laws	Do not comply with labor laws
Employment	Formal, with contracts and defined roles	Informal, often temporary and insecure
Working Hours	Fixed and structured	Irregular and unpredictable
Productivity	Higher, due to mechanization and skilled workforce	Lower, due to lack of resources and training
Taxation	Subject to income tax and other taxes	Often operate outside the tax net
Social Security	Employees have access to social security benefits (like health insurance, pensions, etc.)	Workers have limited or no access to social security benefits
Stability	More stable, with less susceptibility to economic fluctuations	Highly vulnerable to economic downturns and seasonal fluctuations

The promise of parametric insurance

The warmest year on record was 2023. A report estimated that losses from natural disasters amounted to $280 billion in 2023, of which only about $100 billion was insured. The gap in insurance coverage was particularly wide between developed and developing economies. With the world experiencing a surge in extreme weather events, the insurance industry needs to enhance disaster resilience by devising a number of alternative methods of coverage.

At present, the globally accepted method of disaster risk reduction is to transfer risk through indemnity-based insurance products, which require physical assessment of damage for payouts. However, the past is no longer a precedent for what could follow. When calamities such as cyclones, floods, tsunamis, and storms hit large populations and wipe out settlements, especially of the economically disadvantaged communities who have little record of their assets, it becomes difficult to verify the losses.

Changing course

In this context, several insurance products based on the parameters of a weather event are needed. In these, payments are triggered based on real-time measurements such as rain of more than 100 mm per day for two days in succession, or specific flood levels, and wind speed. For such 'parametric' products, payments are made regardless of actual loss or physical verification. Disaster-prone island countries have largely shifted from the risk retention model and embraced such insurance for climate adaptation. Over time, this has built trust between states and insurers, leading to more reasonable pricing and trigger-payout combinations.

Thus far, insurers have been offering standardised parametric products only for low frequency, high-impact disasters such as earthquakes, cyclones, and hurricanes. In 2023,

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Given South Asia's reputation as the world's most 'climate-vulnerable zone', India could consider parametric products

for instance, after a 6.8 magnitude earthquake struck Morocco, the country received $275 million parametric insurance cover arranged with the help of the World Bank. High frequency but low-impact disasters such as landslides, rain, and heat were overlooked, but the consequences of climate change are slowly changing that.

In India, one of the earliest uses of parametric policies was crop insurance, initiated by the government some years ago. The successful Pradhan Mantri Fasal Bima Yojana is based on verification of loss, while a new parametric product, the Restructured Weather Based Crop Insurance Scheme is based on threshold limits, not requiring field verification.

Over the years, the private insurance industry in India has witnessed a rising number of offers of parametric products, customised for States, corporations, self-help groups, and micro-finance institutions. They insure disasters such as extreme precipitation, which is an endemic issue in the north-east; cyclones, which are a standard occurrence in coastal States; and extreme heat, a suddenly prominent and much-published hazard.

Who should bear the burden of paying premiums for parametric insurance coverage? Nagaland was the first State to buy a parametric cover for extreme precipitation in 2021. Based on lessons learned, it has tendered for the second improved version by fixing an absolute annual premium, duration and rate-on-line, allowing bidders to compete over lower threshold limits and maximised payouts. It has imaginatively used the India Meteorological Department's credible supply of data on precipitation for tehsil-sized grids, opening the doors for other States to consider similar products for insurance against cyclones, wind, and rain.

The Co-operative Milk Marketing Federation in Kerala too has implemented parametric insurance for dairy farmers for lower milk yields due to heat stress to cattle. Some non-profits and

micro-finance institutions have also worked with private insurers to implement daily payouts to workers who lose wages due to excessive heat, based on pre-defined temperature and moisture triggers. Some large corporates have initiated parametric products for cyclonic winds and high waves at competitive prices, using wind speed, cyclone tracks, and storm surge data. The recent impact of heavy rains in West Bengal, Meghalaya, Manipur, and Mizoram in the aftermath of Cyclone Remal underscores the need to consider such parametric insurance as a possible means to reduce the financial burden of the State.

Ensuring effective use

For governments to ensure effective use of parametric products, five factors are essential: precise thresholds and proper monitoring mechanisms; experience sharing between governments to incorporate lessons learned; following the mandatory bidding process for transparent price discovery; a widespread retail payout dissemination system; and encouraging premium payment by households in the long term. While this is more difficult in poorer populations, parametric insurance for earthquakes in New Zealand and Turkey has shown that it can be done.

India is uniquely placed for the use of such products, given that it has the Aadhaar-based payment dissemination system. Aided by multilateral institutions, the Pacific and Caribbean Catastrophe Risk Insurance Companies have displayed regional pooling of risk and have successfully implemented parametric contracts with the insurance sector. Given South Asia's reputation as the world's most "climate-vulnerable zone", India and its neighbourhood could consider such products, pool their risks collaboratively, and strike better bargains with the world's largest insurance companies.

The promise of parametric insurance (20 July)

- 2023 was the warmest year on record with $280 billion in losses from natural disasters, only $100 billion of which was insured.
- There is a significant gap in insurance coverage between developed and developing economies.
- The insurance industry needs to enhance disaster resilience with alternative coverage methods due to the increase in extreme weather events.
- The current method involves indemnity-based insurance products that require physical damage assessments for payouts.
- Assessing damage is difficult for large-scale disasters, especially for economically disadvantaged communities without asset records.
- Parametric insurance products are needed, where payments are triggered by real-time weather measurements, not physical loss verification.
- Disaster-prone island countries have adopted parametric insurance for climate adaptation, building trust and reasonable pricing.
- Insurers typically offer parametric products for low-frequency, high-impact disasters like earthquakes and cyclones.
- In 2023, Morocco received $275 million in parametric insurance after a 6.8 magnitude earthquake, facilitated by the World Bank.
- High-frequency, low-impact disasters like landslides and heat are becoming more relevant due to climate change.
- In India, the government has used parametric policies for crop insurance, including the successful Pradhan Mantri Fasal Bima Yojana and the Restructured Weather Based Crop Insurance Scheme.
- The private insurance industry in India offers more parametric products for states, corporations, self-help groups, and micro-finance institutions.
- These products cover disasters like extreme precipitation, cyclones, and extreme heat.
- Nagaland was the first state to buy parametric cover for extreme precipitation in 2021 and has since improved the product based on lessons learned.
- Nagaland used India Meteorological Department data for precise coverage, setting an example for other states.
- Kerala's Co-operative Milk Marketing Federation implemented parametric insurance for dairy farmers for heat stress on cattle.
- Non-profits and micro-finance institutions have worked with private insurers for daily payouts to workers losing wages due to excessive heat.
- Large corporations have parametric products for cyclonic winds and high waves, using wind speed, cyclone tracks, and storm surge data.
- The impact of heavy rains from Cyclone Remal in West Bengal, Meghalaya, Manipur, and Mizoram highlights the need for parametric insurance.
- Effective use of parametric products requires precise thresholds, experience sharing, mandatory bidding, retail payout dissemination, and encouraging household premium payments.
- Aadhaar-based payment dissemination system aids India in implementing parametric products.
- Regional pooling of risk and parametric contracts have been successfully implemented in the Pacific and Caribbean by multilateral institutions.
- South Asia, being climate-vulnerable, could consider collaborative risk pooling and better bargains with large insurance companies.

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GS Paper II: Disaster Funding

Wrongheaded policy (20 July)

The Karnataka Bill on reserving jobs for locals is self-defeating

- **Attempts to provide job reservations for local workers have been proven unconstitutional and rejected by courts.**
- **State governments still attempt to cater to nativist sentiments.**
- **Karnataka's draft Bill for local employment was temporarily withheld after industry backlash.**
- **The Bill required 50% local candidates in management positions and 70% in non-management, with strict local criteria.**
- **Similar Bills were passed in Andhra Pradesh (2019), Haryana (2020), and Jharkhand (2023).**
- **Karnataka's Bill included proficiency in Kannada as a local criterion; Haryana and Andhra Pradesh focused on residency.**
- **The Punjab and Haryana High Court quashed Haryana's Act in 2023 for violating Article 14 (equality) and Article 19 (freedom).**
- **The court stated such laws create "artificial walls" across India.**
- **Andhra Pradesh's Act is still in court; Jharkhand's Bill is not implemented.**
- **Karnataka's Bill also violates Article 16(3), which allows reservation based on residence only for public employment and only by Parliament, not State Legislatures.**
- **Karnataka's motivation for local reservation Bills may stem from resident worker resentment over migrant workers taking jobs.**
- **This resentment is strong among those seeking private sector jobs where migrant workers are exploited for longer hours, lower pay, and no benefits.**
- **Migrant workers lack the political support available to local workers.**
- **Karnataka should enforce labor rights for migrant workers to address labor market segmentation.**
- **Curbing exploitative practices would create a level playing field for all workers.**
- **Protectionism and parochialism are not the solutions.**

A behind-the-scenes view of Kerala's gender-sensitive textbooks

As Kerala's new gender-positive textbooks roll out, students, parents, and teachers weigh in on how they're being received in schools. **R.K. Roshni** visits classrooms to get a refreshing view of how gender stereotypes are being overturned and inclusivity fostered

"Fish curry is made by father himself." This statement in the Class V Social Science textbook for the Kerala board syllabus, brought out in June, was just one of the changes made to break down gender norms as part of curriculum reforms initiated by the present Left Democratic Front government.

Similar references to gender parity in the textbooks for Classes I, III, V, VII, and IX were celebrated across India as leading the change in the way children are taught in school.

The first chapter of the Class V textbook has a group of friends travelling to their classmate Peeli's village where they are served rice, tapioca, and fish caught by her father. The father's presence in the kitchen was a break from tradition in Kerala's predominantly patriarchal society – a factor that caused an uproar at the subcommittee meet of the Kerala curriculum steering committee in Thiruvananthapuram in December 2023.

One participant at the meeting asked: "If the father is doing everything, what is left for the mother to do?" "A revolution is set to begin in the kitchens in Kerala," was another sarcastic jibe.

The sentence in question, though, remained unchanged in the final draft of the textbook and is now being studied in schools across the State. "That was seen as a victory, but it is tough to describe what we went through during that time," recalls Anjana V.R. Chandran, academic coordinator of the Class V Social Science textbook development team.

An image shared by V. Sivankutty, the State's Minister for General Education, on social media on school reopening day, June 3, had created a buzz. The illustration, from a Class III Malayalam-medium textbook, shows a man sitting on the floor, grating coconut, while his wife cooks.

Father makes 'unniyappam'

Depicting the man engaged in a domestic chore was all about sending a message to children. At Government Lower Primary School, Thycaud, Thiruvananthapuram city, Class III students are studying English. Under discussion is a character named Sasha whose father is picturised as preparing a not-so-easy-to-make sweet called *unniyappam*, for Sasha.

As students are quizzed by the teacher about what chores their fathers do around the house, Anjaneyan R.A. shares that his father makes sambar, does the dishes, hangs clothes out to dry, and cleans the house.

Other students in the classroom try to make each other heard about fathers who knead the dough for chapattis, steam appam, dress infant siblings, and bathe the dog. Anuroop D., father of Aadya, a classmate of Anjaneyan, says girls and boys are increasingly taught together and this is reflected in their thinking too. "My daughter expects me to pull my weight in the house, and does not shy away from pointing it out. Things have changed from the time when it was believed a woman belonged in the kitchen." Anuroop feels the school environment has played a role in this, and the new curriculum will reinforce this.

The basis for the new thought in the textbooks is that gender sensitisation will put boys and girls in touch with the other's thoughts and feelings, reducing the possibility of toxic relationships and gender violence. The new textbooks attempt to do just that: to demolish entrenched gender stereotypes and foster an inclusive outlook even among very young children.

An inclusive outlook

In the chapter 'Peeli's Village' over which the brouhaha had erupted, one of Peeli's friends is wheelchair-bound. Another lives in a slum with a single mother, a mill worker. A third is the daughter of a migrant worker couple from Assam, and one has entrepreneur parents.

Beena S. Nair, who teaches Social Science to Class V students at Government Girls Higher Secondary School, Malayinkeezhu, on the outskirts of Thiruvananthapuram city, says the response of the students to the lesson has been very positive. Beena attributes this to the fact that they can relate to the characters portrayed in it. Her school has two secondary students from Manipur and Assam. Now that schools in the State are inclusive with differently abled students mainstreamed, "Attitudes are changing. The foremost reaction to the differently abled is not sympathy. Instead, students suggest to teachers how better they can provide academic support to them," says Beena.

Niketan M., a Class XII Science student at Government Higher Secondary School, Medical College campus, Kozhikode, who drew the illustrations for 'Peeli's Village' is happy that he got an opportunity to become a part of a process intended to bring about a transformation.

"Seeing a picture of a man cooking or washing clothes will have a greater impact on a student's mind than being just spoken about in class," believes Niketan, whose own perspectives on gender equality and diversity evolved through his passion for cinema.

This inclusive approach is evident in the chapter 'Strive Forward' in the new Class IX work-integrated education activity book that features the country's first transman pilot Adam Harry. "It is good to see Adam Harry written about in the textbook as one does not read about transmen or intersex people as much as about transwomen," says transgender activist Vijayaraja Mallika, a member of the curriculum steering committee.

Until now, children were not taught about gender diversity in schools, and words like transperson and intersex person have not been regularly spoken about at home either. "When there are marks attached to it, it gets more importance and value," she says.

At a time when the education system is highly competitive, it is the State's responsibility to not only ensure that students attain competency but also study in an inclusive system where they can express their identity fully. The new textbooks are the first step in that direction, Mallika says.

Jayaprakash R.K., director of the State Council of Educational Research and Training (SCERT), which is spearheading the curriculum revision, says that since the last revision of textbooks in 2013, attitudes to gender have evolved into an acceptance of various gender identities. Court verdicts have reflected this. "In a first, the State's curriculum steering committee has a transgender representative in poet Vijayaraja Mallika."

The Class IX Social Science volume 2 textbook that is under print, he says, has an entire chapter on gender justice as defined in the Constitution, related court judgments, gender perceptions, gender roles, and discrimination. This portion can be the springboard for teachers to delve further into gender issues in the classroom, says Jayaprakash.

Deep-rooted perceptions

Praveena Kodoth, Professor at the Centre for Development Studies in Thiruvananthapuram, observes that a gender binary is deeply rooted in textbooks. "In pre-pubescent children, there is very little that differentiates girls and boys in terms of bodily features. They do the same things. So, there is no need to differentiate between genders at that age. You can come up with ways of learning where, irrespective of caste, class, or gender identity, you are capable of similar things. There are differences also as people have different innate abilities," she says.

Work on the gender aspect began with an audit of the textbooks in use for the past decade, says Jayaprakash. As many as 22 textbooks were audited at random. Textbook development teams had little or no women representation. The content adhered to the gender binary of male and female. In language subjects, stories or poems by women were few and far between. A number of instances of gender bias were found in the language used; illustrations reinforced society's gender rules.

The gender audit went beyond textbooks by conducting school visits and looking at aspects such as school infrastructure, environment, classroom practices, and parent-teacher association (PTA) through the gender lens to detect discrimination, says Chandran a convener of the gender focus group and author of the chapter on gender in the Class IX Social Science textbook. Soon it became apparent that the vision of the previous Kerala Curriculum Framework, from 2007, for a gender-sensitive approach had not been achieved.

Mridul Eapen, former State Planning Board member and chairperson of the gender and education focus group, says a start has been made with the new textbooks, but the school system is a much larger entity: there is infrastructure, school environment, classroom and pedagogical practices, PTAs, and importantly, teacher education. These too have to be addressed if the school system has to be overhauled to be gender-sensitive.

Chandran says public discussions ahead of the preparation of the curriculum framework included classroom and school-level discussions on a host of topics, including gender, in institutions across the State. The gender focus group also studied national and international education policy documents models in gender and education practices.

Jayaprakash says an orientation was given to textbook writers on preventing gender bias in language, content, and illustrations. "There has been a change from the male-dominated textbook development teams that used to be there earlier. Women comprise more than 70% of teachers in the State. Even if a proportionate representation is not seen in the textbook teams, we estimate nearly half of them are women."

Sometimes a difficult road

The curriculum revision process that began in 2022 was rocked by controversies over gender. First, a row erupted over purported plans to seat boys and girls together on the same benches in classrooms. Though the SCERT claimed otherwise, coming close on the heels of protests over gender-neutral school uniforms, it sparked criticism from certain Muslim organisations.

The Indian Union Muslim League, part of the Opposition United Democratic Front, also trained its guns on the government over alleged attempts to impose liberalism, deny religion, and teaching subjects related to sexual gratification. "New gender inequality is being created in the name of gender neutrality," M.K. Muneer, IUML leader, had said at an event in Kozhikode.

As work begins on textbooks for Classes II, IV, VI, VIII, and X to be published in the next academic year, Jayaprakash is optimistic that the support received for efforts towards gender-sensitive education will help textbook planners and writers pay even more attention to detail the second time round.

Sasha's Favourite Snack

Father was busy in the kitchen.
"Sasha, your favourite snack is ready." He said.
"Amma, shall I take some of it to school?" Sasha asked.
"Sure dear, go and get ready." Mother said.
She went to the washroom, humming a tune.
"Sasha, aren't you ready yet?" It was Naveen, her friend.
He was waiting at the gate.
"Just five minutes!" Sasha hurried up.

When a home is 'enemy property'

The Indian government has begun to auction properties belonging to erstwhile citizens of the country who now hold Pakistani and Chinese passports. Uttar Pradesh has the maximum number of estates classified as 'enemy properties'. **Mayank Kumar** explores the Lucknow cityscape to understand the real estate challenges

Halwasiya Market, situated in the older part of Lucknow, Hazratganj. SANDEEP SAXENA

Faisal Azim Abbasi, 48, is worried for himself and his joint family of eight. He has been getting notices to sign an 11-month license agreement with the Custodian of Enemy Property for India (CEPI), a department under the Ministry of Home Affairs, formed after the Indo-Pak war of 1965 and the two Indo-China wars in 1962 and 1967.

Abbasi has known no other home other than the single-storey, 800-square-foot space in Lucknow's Maulviganj. The house, popularly known as Zareef Manzil or Lal Kothi, has been inhabited by his family for four generations.

"My grandfather took the property on rent from the Raja of Mahmudabad in the late 1930s," says Abbasi. They paid ₹16 and 8 annas (50 paise). In 1957, the erstwhile raja moved to Pakistan and took citizenship there.

Abbasi is among hundreds of residents across India who occupy 'Enemy Properties', declared thus after the Enemy Property Act, 1968, came into being. The Act enabled the state to regulate and appropriate real estate belonging to those who had left India and got citizenship of countries it has gone to war with: Pakistan and China.

Now, the Union government has begun to e-auction many of the 12,611 properties across the country, out of which 126 belong to Chinese citizens. Uttar Pradesh has the maximum number, at 6,041, followed by West Bengal at 4,354. Lucknow itself has 361 such properties, with 105 occupied, the highest in U.P. and all in disrepair. Shamli district has 482, Sitapur 378, Muzaffarnagar has 274, and Budaun 250, besides the others.

These 'enemy properties' could be "any property that belongs to, is held or managed on behalf of an enemy, an enemy subject, or an enemy firm". The word "enemy" signifies any country that has committed an act of aggression or declared war against the Union of India, and "property" is immovable assets and all negotiable instruments such as shares, debentures, and other commerce.

Family dynamics

Abbasi's grandfather, Matloob Alam, signed the original lease and the family was told on September 24, 1966, via a letter from the then Sub-Divisional Magistrate (SDO), Lucknow, S.S. Nigam that the building they lived in had become 'enemy property', and was owned by the state. "I, SDO Lucknow hereby direct Shri Matloob Alam, the occupant of the property, to pay monthly rent, dues etc. to Tehsildar Lucknow with imme-

diate effect," the letter had said.

Thereafter, the rent was paid to the CEPI. The amount was increased to ₹22.28 in 1972 and further increased to ₹312 in April 2013.

However, Abbasi claims that the rent has not been collected by the CEPI since December 2016. "Where will we go from here? If they sell it to us at a reasonable rate, we will take it," he says. He considers ₹50 lakh a reasonable sum to buy the property. Alternatively, he is ready to pay five times what he is paying on rent if the lease is renewed.

Over the years, the Enemy Property Act has seen several amendments, with the most significant and recent being The Enemy Property (Amendment and Validation) Act, 2017. It expanded the meaning of the term "enemy subject", and "enemy firm" to include the legal heir and successor of an 'enemy', whether a citizen of India or a citizen of a country which is not an enemy; and the succeeding firm of an 'enemy firm', irrespective of the nationality of its members. The Act also made it clear that once a property is declared 'enemy property', it remains so. The amendment nullified a Supreme Court judgment which ruled in favour of Mohammed Amir Mohammad Khan, son of the erstwhile Raja of Mahmudabad.

Though the erstwhile Raja of Mahmudabad took Pakistani citizenship, Amir stayed behind as an Indian citizen, and asserted claims over various properties that were originally in his family's name. After a prolonged legal struggle of over three decades, the Supreme Court ruled in his favour in 2005, declaring him the rightful owner, even though they have been declared 'enemy properties'. Amir was a two-time MLA in the Uttar Pradesh State Assembly in the 1980s from the Congress party and died in October 2023 at the age of 80.

The most well-known among these properties is the three-storeyed Butler Palace, built on the banks of the Gomti river in the 1910s. The palace was originally constructed in a mix of Indo-Mughal and Rajasthani styles as the official residence of the commissioner of Avadh, Harcourt Butler, in Lucknow. It has remained empty since the 1960s, and has been branded 'haunted', by the Lucknavis – either by ghosts of the past or addicts of the present.

It is now missing its best brass bit and anything of value. Sometime in September-October 2023, the Lucknow Development Authority (LDA) began refurbishing it as a tourist attraction

after receiving a no-objection certificate from the CEPI.

Another prime property is Halwasiya market in Lucknow's Hazratganj, the older part of the city, where real estate prices start at approximately ₹15,000 per square foot, if the buyer is lucky enough to get a place.

Sued from many sides

Like Abbasi, many shopkeepers received notices for a fresh lease and licence agreement for the 'enemy property' they were occupying, but no one has signed one with CEPI until now. The occupants proposed a long-term lease for at least a decade, which was not accepted by CEPI.

Ali Khan Mahmudabad, the next in line from the family, is still fighting for various properties in the Supreme Court. He declined to comment on the matter since it is sub judice. Niraj Gupta, who has been his lawyer since 2003, says, "The Supreme Court has maintained the status quo related to our petition challenging the Act and its amendment provisions. The government cannot sell, auction, or create third-party rights on our properties." Ali is an associate professor in a private university and a member of the Samajwadi Party.

Mohammad Haider Rizvi, a Lucknow-based lawyer who is fighting the legal battle of tenants occupying enemy properties, says many of his clients have been living as tenants for 70-80 years. They are all nervous after receiving renewed agreements.

"Now, the proposed arrangement is only for 11 months, and it adds that on the expiry of this period or an earlier termination, the licensee shall hand over the property to the licensor, which is

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> Where will we go from here? If they sell it to us at a reasonable rate, we will take it.
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> **FAISAL AZIM ABBASI**
> A resident of an 'enemy property'

CEPI. It is frightening," he says.

In 2020, the Union government set up a Group of Ministers led by Home Minister Amit Shah to monitor the disposal of 'enemy properties'.

The value of the earlier 9,000 surveyed 'enemy properties' across the country was estimated to be ₹1 lakh crore. Later, over 3,000 such properties were identified, taking the numbers above 12,000.

The guidelines for the disposal of enemy properties stipulate that if the property is valued below ₹1 crore, the custodian must offer the occupant the choice of purchase. If they refuse, the property will be e-auctioned.

Those valued at over ₹1 crore but less than ₹100 crore will be disposed of by the CEPI through e-auction or through a rate determined by the Enemy Property Disposal Committee, unless the Central government chooses to retain it.

All auctions take place through the Metal Scrap Trade Corporation Limited, a Central public sector undertaking. In 2023, the Central government earned over ₹3,400 crore from the disposal of movable 'enemy properties', like shares and gold.

In U.P., 79 enemy properties identified as agricultural land, each valuing less than ₹1 crore were auctioned across Muzaffarnagar, Sultanpur, and Amroha districts till March 2024.

"A person interested in buying these properties can visit the site and talk to the local *tehsildar* to check documents before going ahead with the e-auction," says Kamlesh Verma, a Home Ministry official who is the supervisor for such properties in Sonbhadra district.

Before the process of the disposing of such properties began, the U.P. government, on the directions of the Home Ministry, conducted surveys of the properties to free them of legal hindrances and set their value, so they could be auctioned off. Roughly half of such properties are without any legal hindrance.

"Our role was to help in surveying the properties and send notices to encroachers. The rest is done by the CEPI," says Saurav Singh, Sub-Divisional Magistrate (SDM), Malihabad, Lucknow.

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> The proposed arrangement is only for 11 months, and it adds that on the expiry of this period or an earlier termination, the licensee shall hand over the property to the licensor, which is CEPI. It is frightening.
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> **MOHAMMAD HAIDER RIZVI**
> Lawyer, who is fighting the legal battle of tenants occupying 'enemy properties'