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India offers to host 2028 climate meet

At COP-28, Modi requests countries to join India on its 'Green Credit initiative'; he says all humanity is bearing the cost of exploitation by a few

Jacob Koshy
DUBAI

Refraining from fresh commitments to contain global temperature rise, Prime Minister Narendra Modi in his address at COP-28, offered to host the 33rd edition of the annual summit due in 2028 in India.

He said that developed countries ought to be “vacating the carbon space” before 2050, and made a pitch for countries to join India on its “Green Credit initiative” which was a “non-commercial” effort to create a carbon sink.

A proposal to host the Conference of the Parties (COP) must be approved by other signatories to the United Nations Framework Convention on Climate Change (UNFCCC). India



Stepping up: Prime Minister Narendra Modi speaks with COP-28 president Sultan Ahmed Al Jaber in Dubai on Friday. AFP

had previously hosted the summit in 2002.

“A small part of humanity has ruthlessly exploited nature. But the entire humanity is bearing the cost of it, especially the inhabitants of the Global South. The selfishness of a few will lead the world into darkness, not just for themselves but for the en-

tire world,” he said at the high-level segment of the summit that saw leaders and heads of state from several countries make statements on their response to climate change.

CONTINUED ON
» **PAGE 8**
SEE ALSO
» **PAGES 6 & 9**

‘Glad’ that India has set up inquiry on plot to kill Pannun: White House

Reaction from U.S. govt. comes days after an unnamed Indian official was charged in an indictment over foiled bid to murder the Khalistani separatist leader on U.S. soil; John Kirby emphasises the ongoing row will have no bearing on bilateral ties

Press Trust of India
WASHINGTON

The White House on Thursday praised New Delhi for setting up its own investigations on allegations by the United States that an Indian official was involved in a foiled plot to kill Khalistani separatist leader Gurbatwant Singh Pannun on American soil.

The unnamed Indian official appeared in an indictment filed by federal prosecutors in a Manhattan court on Wednesday along with an Indian national, who the Department of Justice alleges hired someone in the U.S. to assassinate Pannun, a vocal critic of India and espousing the cause of a separate Khalistan.

“These allegations in this investigation, [we] take it very seriously. And



Testing times: Security guards stand outside the Consulate General of India in San Francisco. FILE PHOTO

we’re glad to see that the Indians are too by announcing their own efforts to investigate this. And we’ve been clear that we want to see anybody that’s responsible for these alleged crimes to be held properly accountable,” John Kirby, Coordinator

for Strategic Communications at the National Security Council in the White House, told reporters at a news conference.

‘No effect on ties’

However, this will not have an impact on the India-U.S. relationship, Mr. Kirby

said, observing that the U.S. unearthed this plot after the historic visit of Prime Minister Narendra Modi to the country.

“I want to be careful here that I don’t get ahead of the Department of Justice and talk about an ongoing investigation. I would just say two things. India remains a strategic partner and we’re going to continue to work to improve and strengthen that strategic partnership with India. At the same time, we take this very seriously,” Mr. Kirby said in response to a question.

The Department of Justice, in an indictment, charged Indian national Nikhil Gupta with conspiracy to commit murder for hire for his alleged role in the plot to kill the Sikh American individual.

Mr. Gupta is accused of working with an Indian go-

vernment employee to recruit and pay an assassin to carry out the killing.

Kiran Kaur Gill, executive director of SALDEF, which describes itself as a national Sikh American impact organisation focused on building leadership and capacity in the Sikh American community, said: “We are deeply disturbed by these reports and the potential threat they pose to the safety of our community. Since 2020, SALDEF has been tracking instances of censorship of diasporic Sikh voices and today’s indictment is not an isolated incident but a part of a broader pattern of silencing Sikh voices.”

“If these allegations are true, it would represent a serious violation of international law and be a blatant example of transnational repression,” Ms. Gill said.

The process of Myanmar's actual unification has begun

Indian think-tanks, analysts, writers and the media dub Myanmar's Spring Revolution as militancy and militant action against Myanmar's military, but there are many developments which we in India should take into account.

In 2022, the parallel governance system set up by the National Unity Consultative Council (a decision-making political alliance of pro-democracy forces and ethnic armed organisations established with more than 400 diverse representatives on March 8, 2021) organised an online "People's Assembly convened in January 2022", which adopted the Federal Democracy Charter (FDC) declared on March 31, 2021 by the Committee Representing Pyidaungsu Hluttaw (CRPH), thereby leading to the formation of the National Unity Government (NUG) and in shaping "Myanmar's Spring Revolution".

Charter, a political guideline

Events set in motion after the formation of the NUG, of having a historical FDC which underwent multiple processes of being drafted and approved by various representatives of the elected lawmakers, political parties, civil disobedience movement, protest/strike leaders, civil society organisations, women, gender and youth organisations/representatives and other political stakeholders, are a political milestone in Myanmar's post-colonial independence, nation formation process, with recognition of equality for diverse ethnic groups. The charter in itself is not a legal document and still needs to address many constitutional checks and balances. Yet, it has laid the ground for some negotiated and consensual constitutional framework, serving as a political guideline for any constitutional development in the future of the country.

Even with the existing shortcomings, the charter's consensual adoption cannot be questioned as a frivolous political exercise. It is the strongest reflection of the will of all the people of Myanmar, and their inclusive political



Sanjay Valentine Gathia

is Founder and Director of Borders and Broader Conversations Initiative which organises P2P conversations and networking between India-Myanmar-Thailand (IMT), with a focus on India's Act East Policy and India's Neighbourhood Policy

The ongoing efforts by pro-democracy forces show a commitment to fight the military and build a politically sound, federal and democratic union

aspirations for a federal democratic structure addressing basic human rights, non-discrimination, minority rights, women and gender equality.

The post-coup political developments in Myanmar need to be understood as a historical and a fantastic collective work of deliberations, negotiation and political consensus undertaken by the diverse pro-democratic groups in Myanmar.

Arriving at a pivotal political moment in the country's history, the diverse ethnic groups involved in the pro-democracy movement have proven that peace in Myanmar is possible and achievable without the political involvement of the military.

NUG formation is a political feat

The composition of the NUG should not be seen by Indians to be just another NLD-led body (which many continue to identify it as so). One needs to have a good look at the composition of the NUG which has representatives from the National League for Democracy, Kachin Political Interim Coordination Team, Chin National Front/Interim Chin National Consultative Council, New Mon State Party, Shan Nationalities League for Democracy, Karenni National People's Liberation Front, Ta'ang National Party, Kayan New Land Party, All Burma Federation of Trade Unions, and many individual representatives. It is a political feat while the country is still having an armed revolution and an active civil disobedience movement, and is also working on interim arrangements on a consensual basis ("a multi-ethnic governance structure").

Myanmar's military has been hit by the sliding morale of and defections in the armed forces, and also hammered by coordinated attacks across the socio-political landscape on every front, politically and militarily, even when the Spring Revolution is fought in a very asymmetrical manner. An article in November in the *Irrawaddy* (independent Myanmar media) said: "Operation 1027 is creating a new political template for

Myanmar's future." The ongoing increased coordinated armed offences against the military have only proven that the decades-old notion of the Myanmar military being essential for the future of the country has been proven false.

In another article in the *Irrawaddy* in January 2023, "Reviewing Myanmar's Spring Revolution, 2 Years on From the Coup", Banyar Aung emphasised how Myanmar's military has always used the constitution and law as a tool for itself and for its own interests. The military went on to claim widespread fraud in the general elections in 2020, and used the pretext of a threat to sovereignty and territorial integrity to stage a failed coup, while seizing power by force. In a few days, the whole country erupted in protest against the military coup, leading to widespread civil disobedience movement and a violent uprising once the military started its violent pogrom against its own people including Bamar people, irrespective of their ethnic background.

Pushing back against the military

The ongoing ensemble of coordinated and collective efforts by the revolutionary pro-democracy forces is pushing the military out of many ethnic- and Bamar-dominated areas. Stakeholders have shown an unprecedented and unwavering strong politico-public commitment to fight against the military and build a long-lasting politically sound, federal and democratic union – something which was not seen during the 8888 revolution.

The process of Myanmar's actual unification has just begun. The collective effort of the NUG is set to ensure that it completes the incomplete process of nation and state building left after colonial rule and shattered after the military took over the country for seven decades, even after the 8888 revolution. Public fury has been unleashed since February 1, 2021, on an unprecedented scale.

"The revolution is here to stay, and we will not rest until the military is removed," my Burmese friends insist.

GST revenues rise to ₹1.68 lakh cr. in November; fastest growth this fiscal

Vikas Dhoot

NEW DELHI

India's gross Goods and Services Tax (GST) revenues grew 15.1% in November to hit nearly ₹1.68 lakh crore, the third highest monthly tally so far from the indirect tax.

This is the fastest uptick in tax collections so far in 2023-24, surpassing the 10-month high growth of 13.4% in October. Taxes from domestic transactions and services imports rose over 20%, the Finance Ministry said, noting this is the sixth time in this fiscal year that revenues have crossed ₹1.6 lakh crore.

November's revenues

Consistent revenues

GST revenues grew by 15.1% in November 2023, in comparison to the same month last year



included Central GST of ₹30,420 crore, State GST of ₹38,226 crore and Integrated IGST of ₹87,009 crore, which included ₹39,198 crore collected on import of goods. GST Compensation Cess inflows stood at

₹12,274 crore, including ₹1,036 crore collected on import of goods.

Between April and November 2023, GST revenues are now up 11.9% compared to the same period of 2022-23.

November's revenues may partly reflect the later onset of the festive season this year, reckoned ICRA chief economist Aditi Nayar. "We expect Central GST collections to modestly exceed the Budget estimates," she said.

Among the States, Manipur was the only one to record a negative growth in revenues as GST collections fell 21%, while the Union Territory of Lakshadweep saw a 15% drop.

Revenues of 13 States grew at or higher than the 20% pace averaged nationally from domestic transactions, led by Nagaland (99%), Arunachal Pradesh (48%) and Haryana (44%).

PM meets Israel President, calls for durable resolution of Palestine issue

Suhasini Haidar

NEW DELHI

In his first in-person meeting with the Israeli leadership since the October 7 terror attacks, Prime Minister Narendra Modi expressed condolences over the lives lost, during a bilateral meeting with Israel's President Isaac Herzog, on the sidelines of the COP-28 climate summit in Dubai.

The meeting came hours after Israel began military operations in southern Gaza. While Mr. Modi called for ensuring regular humanitarian supplies to the Palestinian population, he did not call for a ceasefire. UN Secretary General Antonio Guterres, who also met Mr. Modi in Dubai, made a strong appeal to end hostilities, calling the situation in Gaza an "epic humanitarian catastrophe".



Exchanging views: Prime Minister Narendra Modi with Israel President Isaac Herzog in Dubai on Friday. REUTERS

"Prime Minister expressed his condolences on the loss of lives in the October 7 terror attacks and welcomed the release of hostages," the Ministry of External Affairs (MEA) said in a press release detailing the discussions with Mr. Herzog. "[Mr. Modi] reiterated the need for continued and safe delivery of humanitarian aid for the

affected population. He emphasised on India's support for a two-state solution and early and durable resolution of Israel-Palestine issue through dialogue and diplomacy," it added.

Mr. Modi also held informal talks with leaders from Jordan, Bahrain, and Qatar, and other regional leaders present during the day. The MEA added that

Mr. Modi "exchanged views on Israel-Hamas conflict" during a bilateral meeting with United Arab Emirates President Mohammed Bin Zayed Al Nahyan.

In a social media post, the Israeli President said that he had made Israel's case for "self-defence". "This morning at the [climate summit], I met dozens of leaders from around the world," Mr. Herzog wrote, adding that he spoke about how Hamas violated the ceasefire, which Israel claims was the reason it resumed military operations in Gaza.

"I repeated again and again the demand to place the release of the hostages at the very top of the international community's agenda, alongside respect for the right of the State of Israel to defend itself," he added.

Disinformation can impair democratic discourse: CJI

Krishnadas Rajagopal

NEW DELHI

Chief Justice of India D.Y. Chandrachud on Friday said fake news had drowned out true information simply by virtue of the scale of dissemination in the digital age, replacing the character of discourse from truth-seeking to the loudest voice.

“Disinformation has the power of impairing democratic discourse forever, pushing a marketplace of free ideas to the point of collapse under the immense weight of fake stories,” Chief Justice Chandrachud said in his 14th Justice V.M. Tarkunde Memorial Lecture on the topic “Upholding civil liberties in the digital age: Privacy, surveillance and free speech”.

He said freedom of



Justice D.Y. Chandrachud

speech was traditionally considered an essential part of civil rights activism for the fear that the government would gag certain kinds of speech. However, he said, “With the advent of troll armies and organised disinformation campaigns across social media platforms, the fear is that there is an overwhelming barrage of speech that distorts the truth”.

He referred to how so-

cial media has ruptured the “traditional state-activist-corporation relationship.” Civil rights activists no longer place the corporation within the traditional box of an entity whose power is to be restricted. In fact, to the contrary, they rely on social media corporations such as Facebook, Twitter, and YouTube to expand their freedom of speech and expression, often in opposition to the government.

However, he said there was a flip side to adopting privately owned platforms as the medium for dissent, activism, and expression of free speech. Unlike state actors who are held accountable by the Constitution and the electorate, social media platforms are relatively unregulated. This is another novel challenge, he said.

Navy Chief: Centre to decide on scaling down military presence in Maldives

AMRITA NAYAK DUTTA
NEW DELHI, DECEMBER 1

INDIA HAS close cooperation with Maldives and any decision to scale down Indian military personnel presence from the key island nation will be based on instructions from the Central Government, Navy Chief Admiral R Hari Kumar said Friday.

Addressing the media ahead of the Navy Day on December 4, the top naval officer said India has "a few assets" deployed in Maldives, adding that India has assisted the country in multiple ways over the last five years, including carrying out over 500 medical evacuations, and helping the country with surveillance to detect illegal activities in the maritime domain.

"As far as scaling down of personnel is concerned, it is a decision of the government. Whatever instructions are given to us, we will follow," he said, emphasising New Delhi's close ties with the country in spheres of training as well as Maldives' participation in important events organised recently by the Navy such as the Goa Maritime Conclave and the Indo-Pacific Regional Dialogue.

Admiral Kumar's comments come in the backdrop of Maldives formally requesting India to withdraw its military personnel from the country earlier this month. Maldives is among the key maritime neighbours of India in the Indian Ocean Region (IOR) and India has been seeking to expand ties

with the island nation amid China's efforts to expand its influence in the region. Earlier this month, Maldives President Dr Mohamed Muizzu had sought withdrawal of Indian military personnel from Maldives during a meeting with Minister of Earth Sciences Kiren Rijiju.

Speaking about increasing Chinese forays into the Indian Ocean Region, Admiral Kumar said China may have legitimate reason to be present in the IOR for economic activities. "We keep an eye on what all is happening there," he said.

He said there are disputes in the Indo-Pacific which have the possibility of turning into conflicts and there are challenges such as IUU fishing, drug trafficking, piracy, illegal migration and robbery and it is important that dialogues continue to maintain peace and tranquility in the Indo-Pacific.

Admiral Kumar also said India has a long-standing partnership with the US and both countries have participated in a range of exercises.

To a question on the status of the eight former Naval personnel in Qatar, Admiral Kumar said the government is making extensive efforts to repatriate them. The former Navy personnel were given death sentence by Qatar's Court of First Instance on October 26, following which an appeal has already been filed against the death sentence, which has been admitted by a higher court in Qatar. The charges in the case have not been made public.



Navy Chief Admiral R Hari Kumar (right) and Vice Admiral Sanjay Jasjit Singh in New Delhi on Friday. ANI

A first: woman officer to take over command of warship INS Trinkat

AMRITA NAYAK DUTTA
NEW DELHI, DECEMBER 1

THE NAVY has appointed the first woman commanding officer in a naval ship in line with the Navy's philosophy of "all roles-all ranks" to deploying women in the service, Navy Chief Admiral R Hari Kumar said Friday.

Sources told *The Indian Express* that the officer, a Lieutenant Commander, would be commanding INS Trinkat, a fast attack craft based in the western seaboard. She is yet to take over the new role.

This is for the first time that a woman officer would assume

command of a ship. As per sources, the officer is a qualified navigation instructor and has been involved in training observers inducted into the Navy.

She is also learnt to be the first woman officer who served as an observer in the Navy's Tupolev Tu-142 maritime patrol aircraft.

Admiral Kumar said the officer had to go through all the processes for qualification and exams and would now undergo pre-commissioning training before taking over the craft.

He said the Navy's submarine arm was also open to women.

He said the overall strength of women Agniveers has now crossed the 1,000 mark.

WHEN JINNAH ASKED MANEKSHAW TO JOIN THE PAKISTAN ARMY

ARJUN SENGUPTA

NEW DELHI, DECEMBER 1

FIELD MARSHAL Sam Hormusji Framji Jamshedji Manekshaw (1914-2008) is one of the most storied figures in Indian military history, and now the subject of a biopic, *Sam Bahadur*. Manekshaw's military career spanned nearly four decades and five wars, from World War II to the 1971 war against Pakistan, where he led Indian forces to a decisive victory. History, however, could have been very different had Manekshaw chosen differently in 1947.

Partition of the army

With the Partition of India, also partitioned was the British Indian Army, nearly 400,000 strong in 1947. India was allotted approximately 260,000 men and Pakistan the rest.

The choice

While enlisted men did not have a say in which army they would join, that was not true for officers, at least formally.

"Officers received a form on which to record their choice," historian Brian Lapping wrote in *End of Empire* (1985). "Most Hindus and Sikhs had no option. Pakistan would not have them. But for those Muslims whose homes lay in what was to be India ... many convinced of the need for a secular army in a secular state, chose India," he wrote. Christian and Parsi soldiers were faced with a similar choice.

Sam Manekshaw, a Major at the time, was a Parsi born in Amritsar, although his family originally hailed from Bombay. He



Manekshaw's military career spanned nearly four decades. *Archive*

spent his early years in the city in Punjab before being sent to Nainital to study at Sherwood College. His parent unit, the 12th Frontier Force Regiment, became part of the Pakistani Army.

Jinnah's request

Muhammad Ali Jinnah, Pakistan's founding father, requested Manekshaw to join the Pakistani Army. "Agreeing with Jinnah would have resulted in faster promotions in the Pakistan Army, but Sam preferred to remain in India," Colonel Teja Singh Aulakh (then a Major) said, as quoted in Hanadi Falki's biography of Manekshaw.

Manekshaw was transferred to the 16th Punjab Regiment, and later, as Lieutenant Colonel, to the 5th Gorkha Rifles. He would, however, not serve with Gorkha troops, being assigned to the Army Headquarters' Military Operations Directorate during the 1947-48 Kashmir War.

LONGER VERSION ON
indianexpress.com/explained

3 YRS SINCE FORMATION OF NGT PANEL

Only 21% of forest land in Southern Ridge made encroachment-free

ABHINAYA HARIGOVIND
NEW DELHI, DECEMBER 1

ONLY AROUND 21% of forest land identified as "encroached" in the Southern Ridge in Delhi has been cleared of encroachments so far, nearly three years after the National Green Tribunal (NGT) constituted an oversight committee to oversee the progress of encroachment removal in the Ridge, which is an extension of the Aravallis.

Of the 398.61 hectares of forest land identified as encroached in 2019 in south, southeast and southwest Delhi, encroachment on 83.828 hectares has been removed, and 314.782 hectares of land remains encroached, according to the minutes of a meeting held last month of the oversight committee that was constituted on the orders of the NGT. The Southern Ridge covers an area of around 6,200 hectares.

The committee is chaired by the Director General of Forests and Special Secretary, Ministry of Environment, Forest, and Climate Change. According to the minutes, the Chairman of the committee "expressed strong displeasure on the slow pace of progress of encroachment removal in the ridge area," and directed the District Magistrates (DMs) of south, southeast, southwest and New Delhi, and the Deputy Conservator of Forests (DCF) of the south and west forest divisions to intensify encroachment removal and prepare a schedule for removal.

The committee, which in-



The Southern Ridge covers an area of around 6,200 hectares. *Deepika Singh*

cludes the Principal Chief Conservator of Forests, Delhi, has also decided that the district magistrates will appoint an officer from their district as a nodal officer to coordinate with the DCFs on encroachment removal.

Going by the minutes of the meeting, the committee was informed "about the direction of Hon'ble Minister (Environment and Forest), Govt. of NCT of Delhi regarding not carrying out any encroachment removal without submitting the detailed encroachment removal plan to Hon'ble Chief Minister, Delhi... However, it was directed by the chairman that there is no such procedure in respect of encroachment removal from forest areas. DMs and DCFs should ensure removal of encroachments strictly as per the provisions of the Indian Forest Act, 1927 and the relevant rules on case to case basis."

At a meeting of the committee last year, it was noted that there are 103 JJ clusters located on forest land in the ridge. On this, the committee noted last month that "encroachment removal from forest areas cannot be delayed on the grounds of requirement of rehabilitation of illegal encroachers..."

While constituting the committee in January 2021, the NGT had noted that "the Ridge in Delhi has historical and environmental significance... It has special and distinct features and uses. It is part of Aravalli hills."

It had added: "We are thus of the view that there is urgent need to take necessary steps to protect the Ridge by taking necessary steps to finalise the notification under section 20 of the Forest Act for reserved forest and protection by appropriate measures... No non-forest activity is permissible in the Ridge area."

The GDP growth surprise

While manufacturing has pushed up GDP numbers beyond expectations, the agriculture and services sectors have seen a decline. What do this quarter's data really tell us about the economy?

UDIT MISRA

NEW DELHI, DECEMBER 1

THE MINISTRY of Statistics and Programme Implementation (MoSPI) threw up a massive surprise Thursday when it released the economic growth data for the second quarter — covering months of July, August and September — of the current financial year (2023-24 or FY24). India's Gross Domestic Product — the measure of economic output — had grown by 7.6% in Q2.

In other words, India's real GDP (that is, after one takes away the effect of price inflation) in Q2 of FY24 is 7.6% more than what it was in the same three months of FY23.

What is the significance?

This is welcome news because not only is this a fairly impressive level of economic growth, it also beats all market expectations. The first significance of the news is that it has triggered a flurry of upward revisions in the GDP forecast for the full financial year.

Secondly, it seems to be vindicating the growth projections of India's central bank. At the start of the financial year, the Reserve Bank of India looked like an outlier when it forecast a full-year GDP growth rate of 6.5% while most other professional economists had pegged it close to 6%; some even lower — as low as 5.5%. With most others now pushing up the FY24 projection to 6.5%, the RBI looks like it got its forecast spot on.

Thirdly, this also means that RBI is unlikely to cut interest rates sooner than expected. Had the growth rate been below market expectations, the probability of a rate cut would have heightened.

Lastly, it is noteworthy that it was exactly three years ago — when MoSPI announced the Q2 GDP data for 2020-21 — that India went into a technical recession. The upside surprise on growth has given hope that India's economic recovery is now gathering momentum.

What to look at: GDP or GVA?

REAL GROSS VALUE ADDED

	2019	2020	2021	2022	2023
GVA Total	4.23	-5.12	9.33	5.41	7.42
Agriculture, forestry and fishing	5.32	4.32	4.84	2.49	1.22
Industry	-2.14	3.24	8.11	-0.55	13.18
Mining and quarrying	-5.8	-8.06	10.63	-0.12	9.97
Manufacturing	-3.57	9.01	6.55	-3.83	13.91
Electricity, gas, water supply and other utility services	1.96	-3.93	10.8	5.96	10.06
Construction	1.09	-4.88	10.75	5.66	13.28
Services	7.43	-11.09	11.07	9.35	5.8
Trade, hotels, transport, communication and broadcasting services	6.44	-18.42	13.12	15.63	4.26
Financial services, real estate and professional services	8.38	-5.07	7.05	7.06	6.02
Public administration, defence and other services	7.04	-12.24	16.81	5.59	7.56

Base Year 2011-12

Y-o-Y % change

(All data for Q2)

Source: CMIE

There are two ways to calculate GDP.

One is to look at how people spend their money — the expenditure side of the economy — and the other is to look at the income side of the economy. The former is called the GDP and the latter is mapped by looking at the Gross Value Added (GVA).

According to the RBI, the GVA of a sector is defined as the value of output minus the value of its intermediary inputs. This "value added" is shared among the primary factors of production, labour and capital.

One can get the GDP from the GVA route as well by adding the indirect taxes earned by the government and subtracting the subsidies provided by the government.

The difference in the two ways to calculate GDP is called discrepancy and can sometimes become a major controversy, as it happened when the GDP data for the first quarter was released.

Thanks to the availability of relevant data, the conventional wisdom is to look at GVA

numbers more closely when making sense of quarterly trends of economic growth and to look at GDP (expenditure data) when analysing annual trends.

What does the GVA data show?

The table alongside shows the Q2 data for the past five years. It shows how the different sectors and sub-sectors of the economy grew in this particular quarter.

The first thing to note is that the contribution of Agriculture and allied sectors has seen a steady decline. In the current Q2, agriculture grew by just 1.2% — a far cry from the 4.3% it grew in the year of the Covid pandemic, when the rest of the economy contracted. Last year, the same quarter saw 2.5% growth — half of the year before. This year in Q2, it has halved again. This steady deceleration points to a likely increase in economic stress in rural India. Most experts expect farm production to not recover in the second half of the current financial year.

The second noteworthy aspect is the spike in industrial GVA growth rate. It has grown by over 13%. In particular, manufacturing has grown by close to 14%. These spectacular growth numbers are reminiscent of the high growth phase that India witnessed between 2004 and 2008.

However, it may be too early to claim that India's manufacturing has completed a revival. For one, the latest growth rates for both industry and manufacturing benefit heavily from a fairly low base. Manufacturing GVA growth was almost minus 4% in the Q2 of last financial year. Improved corporate performance was another reason apart from the low base effect for the overall industrial GVA surprise.

"The (GDP) surprise was largely led by the manufacturing sector, with growth surging to a nine-quarter high of 13.9% in Q2 from 4.7% in Q1, led by a favourable base, an uptick in volume growth and an improvement in profit margins owing to continued deflation in input prices," stated Aditi Nayar, Chief Economist, ICRA Ltd.

Be that as it may, higher GVA in manufacturing, construction and mining auger well for employment, especially of the low-skilled variety.

As one looks at the third sector of the economy — services — the picture again turns. At a growth rate of 5.8%, the services economy has experienced a sharp deceleration over the same quarter last year. Data suggests that businesses involved in sub-sectors such as "trade, hotels, transport, communication and broadcasting services" grew by just over 4% — the kind of growth rate one associates with agriculture, which is typically the slowest-growing sector.

What is the upshot?

While the Q2 data was a pleasant surprise, few economists are convinced as yet to take this as conclusive evidence of a sustained momentum. Most economists expect growth to moderate a bit in the remaining two quarters, and possibly continue to moderate over FY25.

Oil imports rise in Nov on high demand; Iraqi volumes surge, Saudi supply drops

SUKALP SHARMA

NEW DELHI, DECEMBER 1

INDIA'S CRUDE oil imports in November rose sequentially as the country moved to a period of high petroleum consumption — the festival season and the end to the autumn refinery maintenance season — preliminary estimates of ship tracking data showed.

Amid robust import volumes from top supplier Russia, India's Iraqi oil imports surged by nearly 25 per cent sequentially in November. Oil imports from Saudi Arabia, on the other hand, declined by around a fifth.

According to ship tracking data provided by energy intelligence and analytics firms Kpler and Vortexa, India imported 4.5 million barrels per day (million bpd) of crude in November, around 3 per cent more than the volumes imported in October.

India is the world's third-



India imported 4.5 million barrels per day of crude in Nov

largest consumer of crude oil and depends on imports to meet more than 85 per cent of its requirement.

Oil imports from Iraq in November are pegged at around 1 million bpd, up from around 0.8 million bpd in October. Iraq is currently India's second-largest supplier of crude oil, behind Russia. Before the war in

Ukraine, Iraq was India's top source of crude oil. It was dethroned by Russia as Indian refiners started purchasing oil offered by Moscow at a discount owing to international sanctions.

While most of Russian oil bought by Indian refiners is purchased on a spot basis, India mainly relies on West Asian oil suppliers such as Iraq and Saudi

Arabia for most of its term volumes. Between the two oil heavyweights, Indian refiners have preferred Iraq as its oil has been relatively cheaper than Riyadh's. In November, Indian refiners imported around 0.7 million bpd of oil from Saudi Arabia, down more than 20 per cent from October. Saudi Arabia remains New Delhi's third-biggest supplier of crude oil.

"Iraq is cheaper than Saudi Arabia, hence India maintains stable levels of Iraqi crudes but has cut down on Saudi imports," Kpler's lead crude analysts Viktor Katona said.

As for India's Russian oil import volumes in November, Kpler's estimate stands at around 1.7 million bpd, while Vortexa pegs the volume at around 1.5 million bpd. In October, oil imports from Russia were around 1.6 million bpd. Preliminary volume estimates based on cargo data recorded by different agen-

cies can slightly vary depending on the methodology employed. Notwithstanding the slight difference, analysts at both firms said Indian refiners seem unwilling to cut down on Russian oil imports, even as discounts offered by Moscow's oil companies have eroded in recent months.

"Russian crude has likely remained attractively priced to Indian refiners, so it is just a matter of availability," said Serena Huang, head of Asia-Pacific Analysis at Vortexa.

According to Katona, India's Russian oil volumes in December are likely to remain robust, but going ahead, there may be a limit on availability of Russian oil. "The only big question will be the overall availability of Russian crude now that Russian refiners ramp up refinery runs and pretty much every refinery has completed autumn maintenance works. Whatever Indian refiners can buy, they will," he said.