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Policy Perspectives Foundation (PPF) is a non-profit, apolitical think tank on matters of national interest. PPF's activities focus on complex and inter-connected challenges to peace, stability and development in India in cognizance of the external dimension. PPF is committed to spreading awareness, building capacity and promoting resilience.

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Child Trafficking in India: Destruction of Homes and Devastation of Childhoods

- Rushda Siddiqui

As the movie Bhakshak gains popularity, the issue of child trafficking takes the spotlight, once again. The movie deals with girls in a shelter home who were raped and prostituted by the NGO managing the home. The Muzzafarpur shelter home case was chilling case of violent sexual abuse of minor girls in a shelter home, and an administration that overlooked every legal violation. The movie

and the real case are reminders of the fact that child trafficking takes place in many ways and needs to be treated as heinous crimes. If children are not safe in a home that was designed specifically to protect and nurture them, how effective would the administration or government be in keeping them safe on the streets?

According to the International Labour Organisation, "Child trafficking is about taking children out of their protective environment and preying on their vulnerability for exploitation". Legally, child trafficking in India is defined as, "recruitment, transportation, transfer, harbouring



or receipt of persons below the age of 18 years, within or across borders, legally or illegally, by means of threat or use of other forms of coercion, abduction, deception, the abuse of power or the position of vulnerability or, of the giving or receiving of payment or benefits to achieve the consent of such person, with the intention or knowledge that it is likely to cause or lead to exploitation".

Vulnerability of children is a complex and difficult issue to address. Questions about who are the children who are trafficked, their age groups or why did the trafficking take place are as complex as how they were taken away.

Be it adults or children, trafficking is a problem that involves organised mafia, individuals and administration that is unable to cope with the complexity of the issue at hand. Trafficking, particularly of children, has become an industrial operation. They are trafficked for sex, labour, adoption or pornography among other crimes. There is a robust market that the industry caters to, and a supply chain that either uses legal loopholes or systems that law enforcement agencies are unable to quash.

This article is an attempt to address a few specific aspects about child trafficking in India. It is not just the global crime that gets replicated in India, but the socio-political aspects of it that normalises a heinous crime. UNICEF estimates that approximately 1.2 million children are trafficked worldwide every year, and India is considered a source, transit, and destination country for child trafficking. According to the NCRB Report of 2021, 2877 children were trafficked in India. Approximately eight children were trafficked daily, and the reports account for only those cases that Anti-Human Trafficking Units have registered; the unregistered traffic figure is enormous compared to this.

Of the multiple reasons for child trafficking the most prominent is the economic demand for cheap labour, particularly in industries like agriculture, construction, and domestic work. The gravity of the problem can be assessed by the increasing vulnerability of the population that suffers due to the rise in trafficking. Studies point to a rise in trafficking of children when economies are either regressive or income disparities are very wide. However, poverty is not the only reason for human trafficking. Sometimes, the practice of selling children to brothels is also perpetuated by traditional and religious customs such as Jogin and Devadasi, where young girls are dedicated to deities.

Globally, wage disparity due to gender or age is the reason women and children are frequently trafficked. There are networks that buy or kidnap children and encash on the labour that they provide to a particular sector of the economy. Often children are bought from marginalised communities and those facing social discrimination. Economic and social compulsions often force families to sell their children with the hope that they will be able to lead a better life.

Over the years, caste linkages in trafficking have been coming to the fore, as CSOs working with trafficked girls attempted to file cases under the SC/ST atrocities act. As caste discrimination is a unique feature of India, it plays a major role in socio-economic disparities and vulnerabilities. In studies carried out, girls trafficked from an extremely young age were from illiterate backgrounds, and as a result did not possess a caste certificate, though they were aware of their caste status. Trafficked forsex, come either from caste communities where there is a history of grooming them for sex trade, or from socially and economically vulnerable backgrounds that forces families to sell them to traffickers. This becomes particularly prominent when natural or other calamities strike. There was a notable spurt in

child trafficking, particularly of girls, as calamities struck regions. Tsunami, earthquakes, floods, Covid, any and all kinds of natural or man made tragedies, human trafficking sees a spurt, particularly of girls or children, particularly if they are from lower castes or poor families.

In India Child Trafficking is marked by:

Labour Trafficking: Children are forced to work in hazardous industries such as agriculture, brick kilns, construction, domestic work, and factories.

Sex Trafficking: Children, particularly girls, are trafficked for commercial sexual exploitation, including prostitution, pornography, and sex tourism.

Organ Trafficking: Children may be trafficked for the purpose of organ removal and illegal organ transplantation.

Begging: Traffickers exploit children for forced begging, often maiming or disfiguring them to evoke sympathy from passersby.

As the world acknowledges the problem, there have been some efforts to address and tackle the issue at international and local levels. The United Nations Global Initiative to Fight Human Trafficking (UN GIFT) was created to promote global efforts against human trafficking based on UN agreements.

The UN Convention on the Rights of the Child (CRC) was established in 1989, and India in 1992. Later, in 2000, India signed the Palermo Protocol, which provides a clear definition of trafficking to aid in combating it. Clearly defining trafficking has helped identify its causes, modus operandi and legislate to combat the crime.

India identified three critical elements required for identification of trafficking, namely: Action,

Means and Purpose. Action is the transportation, recruitment, transfer, and procurement of a person; Means is the use of coercion, deception, force, abduction, abuse of the position of the vulnerability of the victim, abuse of power enjoyed by the trafficker, giving or receiving payments or benefits or some consideration; and Purpose is the exploitation which includes forced labour in domestic, industrial, dance bar, Prostitution, Pornography, commercial servile marriage, removal of organs etc.

To address these elements India has incorporated sections in criminal laws, and designed legal policies. Very briefly, these are:

1. Article 23 of the Indian Constitution "prohibits traffic in human beings and any contravention of this provision shall be an offence punishable in accordance with the Law". Further, Article 39(e) and (f) of the DPSP envisages that "The State should direct its policy towards securing such childhood and youth against exploitation and against moral and material abandonment so that the children are given opportunities to develop healthily in a free environment with dignity".

2. Section 370 of IPC, which states that, "Whoever, for the purpose of exploitation, (a) recruits, (b) transports, (c) harbours, (d) transfers, or (e) receives, a person or persons, by: "using threats, or using force or any other form of coercion, or by abduction, or by practising fraud, or deception, or by abuse of power, or by inducement, including the giving or receiving of payments or benefits, to achieve the consent of any person having control over the person recruited, transported, harboured, transferred or received, commits the offence of trafficking."

Section 370A, goes on to detail: "Whoever, knowingly or having reason to believe that a minor has been trafficked, engages such minor for sexual exploitation in any manner, shall be punished with rigorous imprisonment for a term which shall not be less than five years, but

which may extend to seven years and shall also be liable to fine".

3. Immoral Traffic (Prevention) Act, 1956

This act aims to inhibit or abolish commercialized sexual abuse and exploitation and the trafficking of persons as an organised means of living. This object is achieved by two major strategies: punishing those guilty of such conduct and rescuing and rehabilitating the victims of such exploitation. Further, this Amendment Act has introduced the concept of 'child' victims as against minors and majors.

Apart from these laws, that are specific to trafficking, there are a series of laws that protect the rights of a child. The Protection of Children from Sexual Offences (POCSO) Act, 2012; Bonded Labor System (Abolition) Act, 1976; Immoral Traffic (Prevention) Act, 1956 (ITPA); Juvenile Justice (Care and Protection of Children) Act, 2015, are some of the acts that attempt to prevent trafficking from taking place, and securing the safety of children from being trafficked.

Policy making aspects apart, there are three major handicaps due to which the problem of child trafficking remains a thriving industry in India. The first is illiteracy and lack of awareness about the 'vulnerability of children'.

Social pressures to cover up crimes of domestic violence and abuse of children, normalization of evils like child marriage or Jogin traditions, inaccessibility of education, are some of the reasons why crimes against children go unreported and unaddressed for a long time. Moreover, as families suffer poverty, sending children away for child labour and then not keeping a track of them, has become a norm. Such families fail to seek a political and administrative action to address

the root cause of the problem. Studies have found that access to programmes like mid-day meals at school, have significantly lowered crimes against children.

The second is administrative apathy. Studies regarding sex workers across the country point to Brahmanical patriarchy in the establishment of a social hierarchy. The social concepts are so deeply entrenched in our governance, that perceptions about the dignity of sex workers signify a social hierarchy and social identity of sex workers shape anti-trafficking and prostitution governance through a political economy and caste perspective, especially by applying a framework of brahmanical patriarchy. This becomes an important factor as we try to understand policies or administrative decisions regarding the issue. Nearly all policies are aimed at rehabilitation of survivors and not at addressing root causes. Also, while laws deal with traffickers, there is never an attempt to address the social stigmatisation of the victims, nor the poverty or mitigating circumstances that force families into selling their children. Trafficked children, who may be able to come out after years, are treated as social pariahs by the administration, hence the attempt to give them an alternative survival option and not a living option.

Third, and the most important is rampant corruption at social, political and administrative levels.

There is a lack of political and administrative will to label exploitation of children as a heinous crime.

Coupled with the unwillingness of the police and administrative machinery to even register cases of grievances, this allows for a colossal problem to remain an

unacknowledged problem. We need an awareness and an understanding that children will be trafficked, maybe more than adults, for the industrial needs and profit of individuals. Their organs can be harvested, they can be used in sex trade, employed as labour in hazardous industries and exploited in many more ways. Unless society at large is not educated about how economies, cultural traditions and personal greed can render children vulnerable, we will only be dealing with a handful of cases that would be the absolute tip of the iceberg.

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Climate Change and Its Impact on Agriculture in India

- Simran Jha

Agriculture is a vital sector in India, employing a significant portion of the population and playing a crucial role in the country's overall socio-economic development.

Changing weather patterns pose a significant threat to food production and crop yields, as they are directly affected by climate change.

Agriculture and climate change are inextricably linked, with a direct biophysical impact on agricultural production and soil health deterioration. Despite achieving self-sufficiency in food grain production through the Green Revolution, India has faced numerous environmental challenges, including diminished soil fertility, waterlogging, pollution, and intensified pest and disease problems. Climate change has added a new dimension to these existing problems, posing

a significant threat to Indian agriculture and food security. India has been identified as one of the most highly vulnerable countries to climate change.

Direct and Indirect Effects of Climate Change:

Climate change can affect agriculture through its direct and indirect effects on crops, soils, livestock, and pests. Increased atmospheric carbon dioxide has a fertilisation effect on crops with C3 photosynthetic pathways, promoting growth and productivity. However, rising temperatures can reduce crop duration, increase crop respiration rates, alter photosynthesis processes, affect the survival and distribution of pest populations, hasten nutrient mineralization in soils, decrease fertiliser use efficiencies, and increase evapotranspiration.

Climate change also has considerable indirect effects on agricultural land use in India due to changes in irrigation water availability, frequency and intensity of droughts and floods, soil organic matter transformations, soil erosion, shifts in pest profiles, and the submergence of coastal arable areas.

The critical climate patterns may typically begin with changing rainfall patterns, may lead to alterations in stream flow, and increased crop water demand. Seawater intrusion, transport of salts from deeper soil layers due to aquifer overexploitation, and faulty irrigation practices. Increased frequency and intensity of extreme weather events leading to droughts, floods, and cyclones. Higher temperatures at critical stages of crop growth. And unpredictable changes in pest and disease load.

From soil erosion due to changes in rainfall and wind patterns to reduced quantity and quality of organic matter content, altered decomposition rates, the impact of these changing weather patterns on crops, water, livestock, fisheries, and pests and diseases are multifarious.

Climate change affects feed production and nutrition, with increased lignification and reduced digestibility. Water scarcity, vector-borne diseases, heat stress, and increased resource requirements impact livestock production. Increased ambient CO₂ benefits photosynthesis but may lead to reduced yields due to decreased crop growth duration, increased respiration, and reduced rainfall or irrigation water supplies. Decreased cold waves and frost events due to atmospheric temperature rise may lead to a decreased probability of yield loss associated with frost damage in northern India in crops such as mustard and vegetables. Rising sea levels may lead to salt-water ingress in coastal lands, making them less suitable for conventional agriculture. This also affects fish breeding, and migration.

Adaptation Strategies:

To address these challenges, climate-resilient agriculture (CRA) and climate-smart agriculture (CSA) technologies should be adopted. CRA emphasises sustainable farming practices to achieve long-term higher productivity and farm incomes under climate variability, while CSA focuses on managing farmland, livestock, and landscapes to increase productivity, improve livelihoods and ecosystem resilience, and reduce greenhouse gas emissions.

Collaboration between farmers, researchers, policymakers, and other stakeholders is crucial to developing and implementing effective strategies for adapting agriculture to

climate change. This includes promoting sustainable practices, investing in research and development, and providing support and incentives for farmers to adopt climate-resilient and climate-smart technologies.

Farmers must be encouraged to adopt sustainable agricultural practices such as integrated pest management, crop rotation, mulching, and agroforestry to improve soil health, water conservation, and pest control. Efficient water management techniques, including drip irrigation, rainwater harvesting, and groundwater recharge, can help address water scarcity and improve water use efficiency. Farmers must be guided towards considering diversifying their crop choices based on changing climatic conditions. This may involve introducing drought-resistant or heat-tolerant crop varieties. Leveraging technological advancements in precision agriculture, remote sensing, and crop modelling can help farmers make informed decisions about planting, fertilisation, and irrigation. Additionally, implementing measures to improve livestock health and productivity is crucial. Selecting climate-resilient breeds and improving feed and fodder management can enhance livestock resilience.

At a time when farmers in India are protesting over the issue of minimum support price, the government and institutions should provide financial incentives, subsidies, and insurance schemes to encourage farmers to adopt climate-resilient practices. While there is MSP for wheat and rice, there is no MSP for tomatoes, onions and other fruit and vegetables. This creates uncertainties for farmers who are then reluctant to diversify beyond wheat and rice.

Strengthening extension services, promoting research and development, and facilitating knowledge transfer can also support

adaptation efforts. Fostering collaboration among stakeholders, including farmers, researchers, policymakers, non-governmental organisations (NGOs), and the private sector, can facilitate the exchange of knowledge, resources, and best practices. Raising awareness about the impacts of climate change and the importance of adaptation strategies among farmers and communities is also crucial.

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Payment of Compensation for Rape victims: The Manodhairya Scheme in Maharashtra

- Pooja Kumari

The ‘Manodhairya scheme’ was launched by the WCD department of Maharashtra Government in 2013 following the ghastly gangrape in Mumbai’s Shakti Mills in August 2013. Implemented since October 2013, the scheme covers victims of Sexual Offences and Acid Attack (Women and Children) by providing them financial assistance and support for those suffering from the psychological shock. The scheme also provides, based on their requirements, rehabilitation by way of shelter, Financial Assistance, Medical & Legal Aid and Counselling Services to the victims and support for normal and vocational education. The Scheme also provides Financial Assistance of Rs.1 Lakh and in special cases up to Rs. 10 Lakhs.

Considering the seriousness of the crime and the suffering caused to the victims, the government provides appropriate compensation to the victims. This is given jointly by the central and state governments who can also use the funds for compensation under any other eligible schemes. This

includes schemes like Nirbhaya Fund established by the Center and state schemes. The purpose of this article is to find out how many victims of the state have been able to receive the help under the scheme in the last five years.

For this purpose, RTI queries were made and responses received in the form of data for five years (2017-2022 FY) under the Manodhairya Scheme from the Maharashtra Legal Services Authority. Based on this, a comparison has been attempted which may be seen below.

Table.1

Compensation received by Rape victims - F.Y. 2017- 2022		
	Interim*	Final**
	510	546
Total	1056	
*(30,000/- fixed amount as a primary help within 7 days under the scheme)		
** Depends on case to case and there is no data available regarding the amount related to every single victim.		

Table. 2

Compensation received by Acid Attack victims - F.Y. 2017- 2022		
	Interim*	Final**
	7	7
Total	14	
*(30,000/- fixed amount as a primary help within 7 days under the scheme)		
** Depends on case to case and there is no data available regarding the amount related to every single victim.		

As per the fixed term under the scheme, the above data shows (Table 1&2) that the average amount of the interim compensation for each victim is Rs. 30,000/- only. And there is no clear picture on final compensation which may refer contradictory to the sentence used by authority itself that they make decisions based on psychological shock that suffer by the victims

and if necessary to provide them Shelter, Financial Assistance, Medical and Legal Aid and Counselling Services.

Number of applications for compensation-

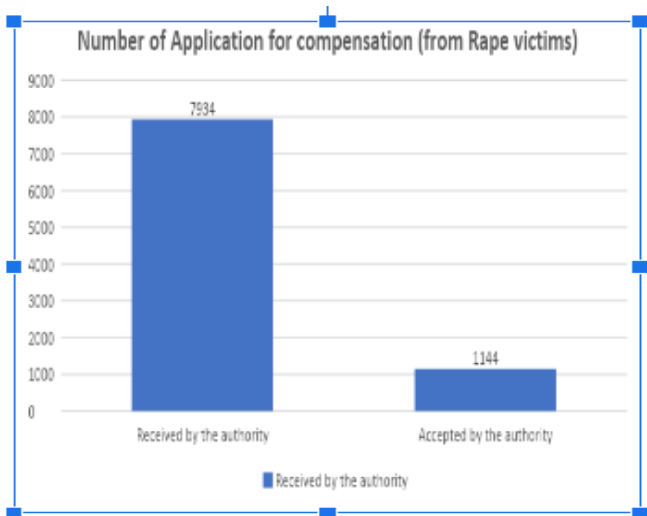
Despite the beneficiaries of the compensation there is another contradiction between applications for the same. This may be seen below from F.Y. 2017-2022

Table.3

Number of Application for compensation (from Rape victims)	
Received by the authority	Accepted by the authority
7,934	1,144

Table.4

Application for compensation (from Acid Attack victims)	
Received by the authority	Accepted by the authority
54	10



Source : RTI

The data above shows pictures on the applications applied by the victims and accepted by the authority. *Out of 7,934 applications of rape victims, only 1144 have been accepted by the authority for compensation. It is very sad to see that not even 50% of the applications are considered by the authorities.*

It is worth noting that recently the NCRB, released the report ‘Crime in India 2022’ in December 2023. Where Maharashtra ranked fourth in (2,904 incidents) rape cases after Rajasthan (5,399) was at the top position, Uttar Pradesh (3,690) ranked second and Madhya Pradesh third (3,029).

As per some experts who are working on ground for women and child, there is some confusion within courts itself and several times they are not granting compensation due to conflict of schemes. Judges believe that the victims are getting compensation under this Manodhairya scheme and therefore, provisions under the interim compensation and the final compensation are not being utilised. In the absence of a support person and a lawyer, the women and children end up getting no compensation. Though the upper limit is Rs 10 lakh, only 1-2 severe cases where they got that amount of money. Otherwise, they end up getting Rs 30,000. And it comes after months and months. Sometimes, after a year and a half and two years even. This shows that there is a clear gap between stakeholders, court and DLSA.

There are several other on ground problems as well like some of the victim’s don’t have bank accounts which are needed, or documents like Aadhaar card etc. Under the Manodhairya scheme, the people who have seen only 4-5 cases have got compensation of Rs. 30,000, which is the first interim amount given in such cases.

Conclusion and way forward:

Giving compensation alone to any rape or acid attack victim cannot make the trauma go away nor can the grief be measured with money alone. It is our understanding that these compensations are gestures by the government acknowledging its responsibility and also an effort by the government to

alleviate their suffering. Therefore, making proper arrangements for compensation in such cases is an important responsibility of the government.

The amount currently being given to the victims does not appear to be sufficient when seen against the nature of the crime and the trauma suffered by the victims. It is therefore necessary to consider increasing the amount being disbursed. The data shared above reveals that the interim compensation was received by very few victims. Since, this aspect is looked after by the DLSA unit it may be necessary for the authority to ensure that the DLSA works for the best interest of the victims. Transparency is another requirement. Availability of data regarding compensation in the public domain provides enhanced clarity and helps create awareness both amongst the victims, well-wishers and those who help them. This will help receive assistance specially for victims who come from poor backgrounds.

There is another matter of concern for the society and the governments that relates to the rising rates of serious crimes against women and children not only in the state of Maharashtra alone but also almost in all the states. Looking at the problem only as one of giving compensation may not help. The existing measures to deal with this kind of crime have succeeded only partially. There is a need to create space for stakeholders also to join the process of curbing these crimes as co-opting the stakeholders in the process will help remove the existing opacity.

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Sufi Basant Started as Ameer Khusro Wanted to Pull Nizamuddin Aulia Out of Grief

- Ghulam Rasool Dehlvi

Basant is a fascinating festival for the celebration of the onset of spring in India. Growing up in Delhi, Basant has always had a special appeal for me. While for our Hindu brethren, it is dedicated to Goddess Saraswati, a deity of wisdom, knowledge, music, art, and aesthetics, and is also called Vasant Panchami, many Muslims also celebrate it as "Sufi Basant".

For Hindus, Saraswati is a feminine divinity seated on a white lotus. She is draped in dazzling white and wears white flowers and pearls as she sits holding Veena, a string Hindustani musical instrument like Sitar which is used by Sufis. Veena is said to be behind the formation of words, the invention of the Sanskrit language, and the composition of hymns to be chanted on the banks of the mythical river Saraswati as part of the Puja regimen on the day.

In Sikhism too, Basant Panchami has a spiritual dimension. "Basant Raga " constitutes an important composition (raag) in the Guru Granth Sahib which is sung with great reverence. Guru Arjan Dev urged his followers to submit to the Sache Padshah (King of the Universe) to achieve liberation and the ultimate union with the Divine. This essential message of the Basant Panchami has greatly been appreciated by the Indian Muslim Mystics especially Hazrat Nizamuddin Aulia popularly known as Mahbub-e-ilahi (Beloved of the Divine) and one of his closest disciples Hazrat Ameer Khusro called the "Parrot of India" (Tuti-e-Hind).

There is an interesting anecdote related to the celebration of Sufi Basant at Dargah Hazrat

Nizamuddin Auliya. Once after the death of his nephew, Hazrat Nizamuddin was distraught with grief. As he was childless, he had taken his sister's son as his own and adopted him. He asked his disciples to stop all activities at the Dargah. One of them, Ameer Khusro could not see the sorrow of his beloved Murshid (spiritual master). He devised a plan to help Hazrat Nizamuddin Auliya get out of this state of mind.

Khusro dressed in yellow attire similar to the Hindu women carrying yellow mustard blossoms and celebrating Basant Panchami. At this, Hazrat Nizamuddin Aulia, who loved the yellow colour, began to smile and felt elated. Thus started the tradition of Sufi Basant and it has become an integral part of his Khanqah's annual calendar.

To commemorate the occasion, Khusro wrote beautiful poems in Brij Bhasha. One of them as translated in English goes like this:

“Devotees offering yellow flowers at the shrine,

Yellow mustard blossoms have covered entire fields. The mango tree is in bloom,

The flame of the forest is in bloom, The Koel bird flits singing from one branch to another,

And the fair lady decks herself With marigold blossoms the gardener's wife fetches for her,

The season is full of yellow flowers That we carry to the door of Hazrat Nizamuddin,

Years ago, my lover had promised he will come visiting me.”

Ameer Khusro's gesture of using the metaphor of Basant to make his beloved Guru smile ended his mourning and started a celebration of the day as “Sufi Basant” to signify joyfulness and inner peace.

Today, on the occasion of Basant Panchmi, many followers of Mahbub-e-Ilahi Hazrat Nizamuddin Auliya joyfully celebrate the Sufi Basant. Urdu and Persian Sufi compositions are routinely performed through Qawwalis at the Dargah with Khusro's lovely composition "Aaj basant manalay suhagan!". On the eve of Sufi Basant, the Daragh is drenched in Yellow.

As devotees attend the celebration across the lines of gender, religion, and caste, the Dargah amidst the fragrance of its yellow flowers and enveloping sounds of Qawwalis is submerged into “sama” (Trans) symbolising ecstasy, amity, and syncretic Sufi culture.

India's spiritually inclined Muslims, Hindus, Sikhs, and people of other faiths celebrate the Sufi Basant together at the shrine in Delhi. They offer yellow flowers and come to dargah wearing yellow clothes. The Sufi Basant has been celebrated for more than seven centuries, Basant is India's age-old representation of Hindu-Muslim harmony. Festivals and traditions like Basant bind us together as a nation across various religious, cultural, linguistic, and social backgrounds.

Though Basant finds no mention in any religious scripture — the Quran, the Vedas, or the Bhagavad Gita, it requires a large heart to embrace the wider notion and beautiful tradition of the Sufi Basant in our collective consciousness. The essence and cultural and spiritual connotation of the Sufi Basant cannot be narrowed down to a particular religion or community.

As the Chishti Sufi adage goes: "Your minds have limits but not your hearts, for they are receptacles of endless capacity." This is the guiding light and mystical wisdom that flows from the Chishti tradition of Indian Sufi saints. Famous Urdu poet of Delhi, Rakim Dehlavi has rightly invoked in his couplets:

Khudaya Ba'd e Mahshar Ke Agar Aalam Ho Phir Paida, Tamashagaah-e-aalam Mein Nizamuddin Shahi ho.

(O God! After the day of resurrection, if the world comes back to life. Give the crown to Hazrat Nizamuddin Aulia in the circus of this world). *This article was originally published by New Asian Age*

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Lower Share in Tax Devolution- Why are Southern States Distress Over Centre's Fiscal Approach

- Vaishali Basu Sharma

The equitable sharing of resources, especially pertaining to the 'Goods and Services Tax (GST),' has emerged as a controversial topic between the Central Government and several Southern States of India. Introduced in 2017, almost 25 years after it was suggested, the economic imperative behind the Goods and Services Tax was to simplify India's tax structure by doing away with a range of central and state sales taxes.

The latest GST dispute has highlighted the delicate balance between centralization and regional autonomy. The arguments put forth illustrate the competing logic between 'fiscal federalism' and 'centralization,' between keeping intact state sources of taxation and creating a more unified tax system.

The Goods and Services Tax (GST) aims to create a unified tax system by empowering both the Centre and states to levy and collect indirect taxes throughout the entire supply chain.

Under the current scenario, the Centre has the authority to levy and collect certain indirect taxes, including Central Excise Duty, Customs Duty, and Service Tax. States, on the other hand, collect taxes such as Value Added Tax (VAT), Central Sales Tax (CST), and State Excise. Additionally, states can levy other indirect taxes like Entry tax, Entertainment tax, and Luxury tax through local bodies within their jurisdiction.

Political leaders from Karnataka, Kerala and Tamil Nadu have been protesting against the Centre over alleged injustice meted out to the southern states in devolution of taxes, a development dubbed as the 'Southern Tax Movement' by sections of the mainstream media.

Karnataka's Chief Minister Siddaramaiah has been at the forefront of the 'South Tax Movement' emphasising the need to preserve fiscal federalism. Karnataka claims to have lost Rs 62,098 crore over the past four years due to a decrease in tax devolution from 4.71 percent to 3.64 percent.

Pledging support to the cause Tamil Nadu Chief Minister M K Stalin has accused the Centre of misusing power under article 293 of the constitution to hinder the states' development and suppress their fiscal autonomy.

Chief Minister Pinarayi Vijayan has alleged that the Union government's claims about Kerala receiving 100% share from GST and 50% share from IGST, are false. While not explicitly mentioned in the recent news, Telangana has historically been part of the discussions around GST and fiscal federalism.

A consensus has emerged amongst southern state governments over fair

distribution of GST revenue and continuation of compensation for the next five years. The states also cite the May 2022 Supreme Court ruling (Union of India versus M/s Mohit Minerals Pvt. Ltd.) that the recommendations of the GST Council only have persuasive value, and cannot be binding on the Centre and states. Upholding an order by the Gujarat High Court that had quashed the levy of Integrated GST (IGST), the SC bench led by Justice D Y Chandrachud pointed out that Article 246A ("Special provision with respect to goods and services tax") of the Constitution stipulates that both Parliament and state legislatures have "simultaneous" power to legislate on GST.

Opposition-ruled states feel that the judgement allows flexibility to states in the GST structure, but the Union government's view is that the ruling does not have any bearing on the GST's institutional mechanism.

The Central Government has consistently defended its position on the GST, emphasising legal correctness and cooperative federalism. Stating that the Centre is not discriminating against any non-BJP-ruled state in the release of funds, Finance minister Nirmala Sitharaman has emphasised that the transfer is based purely on the recommendation of the Finance Commission. The Finance Minister has accused the leaders of the south tax movement of harbouring a "separatist" mindset and spreading a "false narrative".

As per the recommendation of the 15th Finance Commission, 41 percent of the divisible tax pool of the Centre is transferred to states. However figures indicate that the share of central taxes shared with states has been hovering around 35-36 percent in the last four years. Furthermore the share of tax

devolution for the less populous and fiscally stronger southern states tends to be lower, while few northern states, which are weaker and more populous receive a larger share in revenue. The Centre has pointed out that the Finance Commission is an independent entity, and it is willing to accept the recommendations of the newly constituted 16th Finance Commission, "including the increase in the percentage of devolution."

Barring the transitional implementation issues, it can be agreed that the GST brought in to rationalise taxes in the country is steadily getting accepted by the business community at large. composed of the Union Finance Minister and state Finance Ministers, there is little doubt that the GST Council is a representative and consultative constitutional body.

India's GST structure built on three key pillars of - revenue neutrality, tax sharing between the Centre and the States, and the provision for compensation, supported by the GST council, has been designed to foster 'cooperative federalism.' Through the coordination and dispute settlement mechanism of the GST Council and by entrusting the states with a larger share of unconditional grants, state autonomy was, in fact, retained. But it appears that the debate over GST isn't over yet.

The operation of the GST Council is in jeopardy because of the distrust amongst political parties in the Council. Its success would depend on a vast level of coordination between the federal government and the states. *This article was originally published by The Wire in Hindi*

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