

Digital India is under threat

Hackers are targeting us due to a weak cyber security set up

The second global ransomware attack in two months underlines the continuing vulnerability of India to cybercrime and the desperate need for further action on this front by the government. India was the largest victim of the Petya virus in Asia, with Symantec estimating nearly 20,000 organisations were affected. Given that so many private companies prefer to keep quiet about such break-ins or that they agreed to pay off the hackers, the extent of the damage to India is unclear. Ransomware, however, is here to stay. In both the earlier WannaCry and the present Petya attacks enough victims paid the hackers who were holding their databases hostages that this is now a viable criminal activity.

India is especially vulnerable to the new generation of cyber-crimes. Here's why: First, outdated software and ancient hardware still find use in India well after they are phased out in the rest of the world. Since older systems are more vulnerable, inevitably viruses and malware find India an easy target. Two, the government's ambitious Digital India schemes will oversee an enormous expansion of Internet connectivity and online economic activity. For example, the coming Goods and Service Tax Network will force the number of traders using computers to more than double. The biometric identity number, Aadhaar, has in theory brought a billion Indians into the cyber age and will be the basis for even more digital services, products and transactions. India has become a target-rich environment for hackers. Three, understanding of cybersecurity is abysmal. Avoiding pirated software, updating regularly and learning to avoid phishing are habits that need to become second nature among Indians. However, the National Digital Literacy Mission has been noticeable by its absence. Finally, India's cybersecurity structure remains fragmented and incoherent. The appointment of a cybersecurity coordinator has helped, but the holder can only provide guidelines and has no genuine authority over India's various cybersecurity bodies.

While the hard issues of cybersecurity are relatively obvious, it is also important to understand that sensible regulations on online privacy are also important. Without them, victims will tend to prefer anonymity, encouraging even more cyber-crime to take place. The Narendra Modi government has a genuinely transformational vision of digitalising India. But this requires a much holistic view to succeed and part of this vision is getting a real grip on cyber security.

Why India must keep its coastline clean

Nearly four million people depend on fisheries for their livelihood

Oceans are a testing ground for the principle of multi-lateralism," United Nations Secretary-General António Guterres said at the The Ocean Conference in June. "Conserving our oceans and using them sustainably is preserving life itself." Unfortunately, not many countries realise this and do enough for their coastline and beyond. After a heavy downpour in Mumbai last week, nearly 120 tonnes of trash washed ashore on to the Juhu beach since all wards along the coastline are facing a serious garbage crisis.

India's 7,500-km-long coastline is polluted, thanks to a spurt in population, industrial, agricultural and commercial activities: According to a report by TERI, large quantities of wastewater and agricultural run-off find their way into coastal waters, either directly or through discharge into creeks, estuaries or backwaters. This results in coastal pollution.

India is a signatory to the Sustainable Development Goals and one of the key promise that it has made is to prevent and significantly reduce marine pollution of all kinds by 2025. Here's one key reason why India should be serious about meeting this goal: Marine fisheries wealth in India is estimated at an annual harvestable potential of 4.412 million metric tonnes and an estimated 4 million people depend on fisheries for their livelihoods. Marine fisheries contribute to an economic wealth valued at about ₹65,000 crore each year, said a Down to Earth report earlier this month. The numbers should be enough reason for the government to ensure that we keep our coastline and oceans clean, especially at a time when jobs are scarce.

straightforward

SHASHI SHEKHAR



The fire of violence could singe us all

India is passing through a phase when murders are becoming the favourite pursuit of mobs

This time the frightening news reports originated from Jharkhand. At a remote village in Giridih district, people saw a carcass of a large animal outside a person's house. The rumour spread like wildfire that it was a cow-killing. A thousand people surrounded the house and mercilessly beat up the ageing home owner. The police reached the spot and tried to save his life but he succumbed to injuries at the hospital. Before the ink could dry on this shameful story, another tragic incident in Ramgarh came to light. A vehicle driver was beaten up so badly on allegation of transporting banned meat that he breathed his last on reaching the hospital.

Don't you think we are passing through an extraordinary phase when murders are becoming the favourite pursuit of the mobocracy?

If this wasn't the case, why was a group of young men beaten up near Ballabgarh on the eve of Eid? In this tragic incident, 16-year-old Junaid was murdered while returning home after Eid shopping. Stab wounds were discovered on half of Junaid's body. This happens only when the murderer is seething with obsessive rage.

Before this too people have been beaten to

death in Assam, Alwar and Dadri. Many have been beaten up at other places.

Looking at these incidents, you shouldn't jump to the hasty conclusion that the victims of violence are only from minorities.

In Srinagar, DSP Ayub Pandith was killed by 'his own' people. Senior officers of the Kashmir police had deputed him to keep a watch on proceedings during special prayers outside the Jamia mosque to commemorate the holy night of piety. The mob reportedly attacked him after tearing his clothes. What did the mob want to see by taking his clothes off? Unconfirmed reports say that his nameplate bore his name A Pandith. Did the word 'Pandith' lead to his death? Was that the motive behind tearing off his clothes? Despite this he was not saved, but killed. The surnames Pandith, Pundir and Chauhan don't symbolise a caste or religion: They are a symbol of our tradition. How can our tradition be a murderer?

Spreading hatred in the name of religion is the easy option, but when the fire of violence begins to rage, it doesn't singe you after asking you your caste or religion. The bloodshed in Saharanpur is its biggest example. The clash here wasn't religious but was on the basis of caste. Three people lost their lives and the time that the government machinery



Junaid Khan was killed in Ballabgarh, Faridabad, on June 26

RAJ K RAJ/HT PHOTO

would have spent on development projects was instead spent restoring law and order.

Certain intellectuals want to push their selfish interests by blaming these incidents on the ruling dispensation. I want to make it clear that it isn't a transgression committed by a particular government. The history of the misdeeds carried out in the name of mob justice goes back decades. According to a BBC article, numerous incidents of mob lynchings came to light during the long Left Front rule in West Bengal. Between 1982 and

1984, more than 300 people became victims of angry mobs in different parts of the country.

This long and bloodied history makes it obvious that politicians enjoy encouraging the malaise rather than fighting it. The statement made by former Uttar Pradesh minister Azam Khan about the armed forces shows how serious our politicians are about such incidents. He is not alone. Every party has people who are keen to promote this mud-slinging. Just read a few statements by 'maharajs' and 'sadhvis'. The same people who were given the responsibility of emotionally strengthening a people divided by Partition betrayed their own supporters.

Is this happening only in India? No, the entire world has been afflicted by this. Most European nations and the United States have been split wide open owing to social tensions. Even a Buddhist country like Myanmar where social harmony should prevail is seeing a regime of torture unleashed on the Rohingya Muslims. It is having an impact on the Indian subcontinent too.

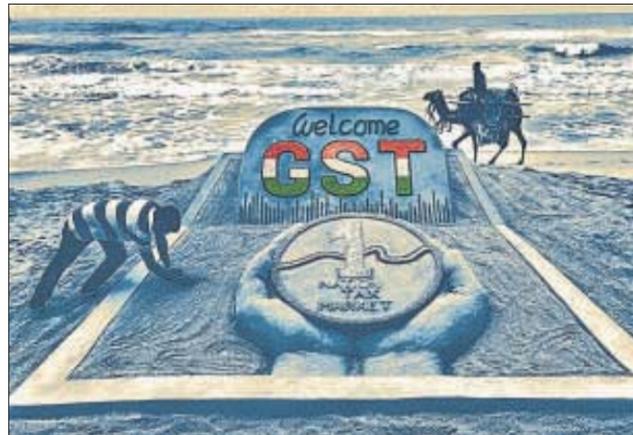
Has the 21st century brought in the danger of strife and distrust along with unprecedented technological progress?

It is a matter of relief that on Thursday Prime Minister Narendra Modi strongly condemned the violence and killings carried out in the name of cow protection. He has done it before but it didn't have any effect on the hardliners. One hopes they'll be dealt with strictly when required.

Shashi Shekhar is editor-in-chief Hindustan Times

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CRUISING SPEED



Sand artist Sudarshan Pattnaik gives final touches to his sculpture on the eve of the rollout of the Goods and Services Tax, in Puri, June 30

PTI

GST will improve the ease of doing business

The roll-out of the Goods and Services Tax could be a template for the future of cooperative federalism

RANA KAPOOR



The Goods and Services Tax (GST), which came into effect on July 1, is the most significant economic reform since liberalisation commenced in 1991, and envisages 'a one Economic India' which will lead to a more efficient economy. It will add 2.5-3% to GDP over the medium term.

The GST implementation will lead to several macroeconomic gains. The transition to the new framework may result in some short term pain, but the commensurate gains are going to be disproportionately higher, and soon even small and medium enterprises will imbibe these advantages.

Riding on this key reform, GDP growth in FY18 is expected to rise to 7.4% (vs 7.1% in FY17), led by consumption, public sector-led capex and export growth.

The GST is expected to reduce manufacturing costs by 10-15% as logistics costs will decline. It will also boost productivity through efficient resource allocation and greater tax compliance. Moreover, the GST will lead to enhanced transparency and higher foreign direct investment (FDI).

Mapping the GST rates to the consumer price index (CPI) basket indicates disinflation of 25-50 bps, which is likely to transmit over

the medium term, even though in the short term, the disinflationary impact is unlikely to play out on account of higher compliance costs. The GST roll out could be a template for the future of cooperative federalism. The GST council can now serve as a template for reforming other such institutions of cooperative federalism, starting with the inter-state council.

Tax integration under the GST will result in supply chain restructuring to induce changes in India's trade flows and provide a massive fillip to state's tax collections as services will be brought under their taxation ambit. By the very construct of the GST, states will see a 1.8x increase in their service tax collections. Further, as the GST shifts levy of sales tax from point of origin to point of consumption we will see negative implications for manufacturing states while positively affecting the consumption states. Similarly, with states now levying services tax under the GST, states with high share of services in state gross domestic product (SGDP) will stand to benefit. Currently, it takes an average of 241 hours per year to pay taxes in India - compared to 110 in Britain and 175 in the United States. The most telling impact of the GST will be in terms of improving the ease of doing business - especially in terms of making 'paying taxes' easier. Riding on the achievements, progressive reforms and strategic initiatives of the last three years the economy is well and truly in 'take off' mode and the GST implementation will fuel this growth trajectory.

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The views expressed are personal

pulp-it

R SUKUMAR



Three things to do for a fair valuation of Air India

The Centre should write off most of AI's debt, take care of the unions, and retain control of the land holdings

Like most people of my generation, I was familiar with Air India's Maharajah mascot before I knew what Air India was. Back then - this was the 1970s - Maharajah stickers and dolls were common in most middle class homes, even those where air travel was considered a luxury. Years later I met an advertising man who had worked on the account who told me the three rules that Bobby Kooka, who along with Umesh Rao, created the mascot, laid down for the Maharajah: Eyes always closed, head always covered, and feet always off the ground (or not shown at all).

It's a rule the mascot adhered to largely, across posters and ads created by Hindustan Thompson Associates (now JWT India), the agency that handled the Air India account for many years. The 1970s, 1980s, even the early 1990s were Air India's golden years. Between 1991 and 1994, it was headed by YC Deveshwar, specially requisitioned from ITC Ltd by the then government, and made a record profit of ₹333 crore in 1992-93. Through those years, the airline remained profitable. And through those years, its service standards remained uniformly high.

The government has been running Air India since 1953, although the airline was founded as a unit of Tata Sons Ltd in 1932. Its name was changed to Air India in 1946. After India's independence, the government acquired a 49% stake in the airline. In 1953, it passed the Air Corporations Act and acquired a majority stake in Air India. At the same time (and under the same law), it set up Indian Airlines. Air India, it was decided would fly international routes and Indian Airlines, domestic and regional ones (to neighbouring countries). Most people have forgotten that Air India wasn't the only airline in India at the time of independence. There were seven others, and all of these, including Deccan Airways, a joint venture of the state of Hyderabad (run by the Nizam)

ASIA WILL ACCOUNT FOR 41% OF THE ALMOST 35,000 COMMERCIAL AIRCRAFT BETWEEN 2017 AND 2036. ANYONE BUYING INTO AIR INDIA WILL BE BUYING INTO THIS MARKET

and Tata Airlines, and Kalinga Airlines (founded by pilot-who-would-turn-politician Biju Pattnaik) were merged with Indian Airlines in 1953.

The downfall of the two airlines probably started in the mid-1990s, as private airlines took their first fledgling steps, but accelerated in the 2000s. An ill-advised merger of the two in 2007 didn't help. Over the past two decades, the government of the day has made several efforts to revive the airline, but to no avail. There has been one serious attempt over the past three decades in privatising the airline - under the previous National Democratic Alliance (NDA) government in 2000-01. A mix of political tentativeness, bureaucratic red tape, and smart lobbying by rivals put paid to that, though.

Now the NDA government has embarked on another attempt to privatise the airline. Air India has around ₹52,000 crore of debt on its books, and at least seven unions, but it also has the biggest fleet of long-haul planes in the country (140). It flies to 41 international destinations, and 72 Indian ones, and has valuable so-called bilaterals (bilateral agreements signed by two countries allowing commercial air services between them). Air India hasn't used many of its bilaterals (and has given some away for next to nothing), but as a State-owned airline it retains the primary right on such bilaterals. It has a massive ground handling and airport services infrastructure. And it also has vast land holdings.

That means the airline has a lot going for it, and also a lot not going for it.

If the government is serious about privatising Air India, it should write off most of the airline's debt. It should also spin off and retain control of the land holdings (if India's limited track record of divestment is any indication, land holdings are a minefield). And it should take care of the unions. These three steps would allow a fair and accurate valuation of the airline.

Asia, especially India and China, are expected to drive the growth of the global aviation business over the next 20 years, Airbus said in its recently released Global Markets Forecast. Asia will account for 41% of the almost 35,000 commercial aircraft (each with a capacity of at least 100 passengers) between 2017 and 2036. Anyone buying into Air India will be buying into this market.

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innervoice

AMBITION IS IMPORTANT BUT NOT AT THE COST OF INNER PEACE

Sukanya Arora

Most of the time, our thoughts are focused upon our goals, roles, duties and dreams. The nucleus of our life is constantly working to strive towards our goals, and to become an achiever. But amid all this struggle of being ambitious, we often lose the sight and essence of the present.

As much as it is important for us to ignite this fire of passion in us to make life more meaningful, it is equally imperative, to be still as calm water, and just be in the 'here-

and-now', and let all the anxiety and restlessness of future be at bay.

A Taoist proverb beautifully explains this: "We can't see our reflection in running water; it is only in still water that we can see".

It is good to keep an eye on our jumbo dreams, and be persistent in their pursuit. Nevertheless, at times, it is necessary to gift ourselves with the peace we deserve, to be conscious of the moment and cherish the 'now'.

This peace helps us to explore our true

callings clearly, reflect upon our purpose in life, and regain composure to start afresh with newer zest. And, by letting ourselves mindfully be in the present, we boost the process of our "in the making" project, because we are always in the making - either by learning through our successes or failures. It is okay to be 'In the Making'.

(Inner Voice comprises contributions from our readers
The views expressed are personal)
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