Daily Editorial Analysis 5 August 2025

August 5, 2025 • vajiramandravi.com

The Missing Link in India’s Battery Waste Management

Context

- **India’s commitment to decarbonisation** and its ambitious Net Zero goal by 2070 have **accelerated the adoption of electric vehicles (EVs)** and renewable energy technologies.
- As a result, **the demand for lithium batteries is projected to rise dramatically**, from 4 gigawatt-hours (GWh) in 2023 to nearly 139 GWh by 2035.
- While this electrification wave signals progress, it **also presents a looming environmental and economic challenge:** the sustainable disposal and recycling of lithium batteries.
- Without a robust recycling framework, **the nation risks undermining its green ambitions.**

The Urgency of Battery Waste Management and The Challenge of EPR Floor Pricing

- **The Urgency of Battery Waste Management**
    - Lithium batteries are central not only to EVs but also to battery energy storage systems (BESS), which are crucial for stabilising renewable power supply.
    - However, their improper disposal poses severe risks.
    - Leakage of toxic substances into the soil and water, coupled with the sheer volume of battery waste, lithium batteries accounted for 700,000 of the 1.6 million metric tonnes of e-waste in 2022, demands immediate intervention.
    - Recognising this, the Indian government introduced the **Battery Waste Management Rules (BWMR)** in 2022.
    - These rules are built around the principle of Extended Producer Responsibility, which mandates producers to ensure that end-of-life batteries are collected and recycled responsibly.
- **The Challenge of EPR Floor Pricing**
    - At the heart of the recycling ecosystem is the **EPR certificate**, which producers must acquire to demonstrate compliance.
    - These **certificates are issued by recyclers**, who in turn require a **minimum floor price** to cover their costs.
    - Unfortunately, the current EPR floor price in India is **too low to support sustainable operations**.

- Advanced technologies, **skilled labour, and safe logistics are essential** for processing hazardous battery waste, all of which come at a high cost.
- Moreover, **lithium-ion batteries contain valuable minerals like cobalt, lithium**, and nickel.
- Efficient recovery of these resources **could significantly reduce India's reliance on imports**.
- However, **without adequate compensation, legitimate recyclers struggle to remain viable.**

Corporate Non-Compliance and Global Double Standards

- Adding to the complexity is **the reluctance of large producers, particularly multinational corporations, to comply with recycling regulations** in developing countries.
- These companies often adopt **dual environmental standards**, adhering to strict norms in developed markets while sidestepping them in countries like India.
- This **undermines local regulatory frameworks** and impedes the development of a resilient battery recycling ecosystem in the global south.
- Interestingly, concerns that revising the EPR floor price will burden consumers appear unfounded.
- **Global metal prices have fallen**, but producers have not passed these savings on to end users. This suggests that **Original Equipment Manufacturers (OEMs)** can absorb higher recycling costs without increasing consumer prices.

Global Benchmarks

- For perspective, the United Kingdom mandates producers to pay up to ₹600 per kilogram for EV battery recycling, **four times** what is currently under consideration in India, even after adjusting for purchasing power differences.
- This **disparity underscores the need for India to develop a globally competitive EPR** pricing model.
- A **fair EPR floor price** must reflect the true cost of recycling—from collection and transportation to safe material recovery, and **should evolve into a market-driven mechanism** once the ecosystem matures.
- To ensure accountability, **producers must be encouraged to audit recyclers** This not only prevents fraud but also incentivises innovation in recycling technologies and logistics.

Policy Recommendations

- **Integrating the Informal Sector**
  - India's recycling sector **has long depended on informal workers** who operate outside the regulatory net.
  - While their practices often involve hazardous methods, **their inclusion is essential to scale national recycling capacity.**
  - A **pathway to formalisation**, through training, regulation, and incentives, can harness their contributions while improving safety and efficiency.
  - Formalising the informal sector is both a **social and environmental imperative**, creating green jobs while reducing ecological harm.

- **Strengthening Enforcement and Governance**
    - Ultimately, no policy can succeed without effective enforcement.
    - India must invest in robust **digital tracking systems** for EPR certificates, enforce strict **audit protocols**, and impose **significant penalties** for non-compliance and fraud.
    - These measures will ensure transparency and reduce the scope for malpractice.
    - Immediate and constructive **dialogue among policymakers, producers, and recyclers** is critical to arrive at a balanced and effective EPR regime.

Conclusion

- The **rapid expansion of India's EV and renewable energy sectors** necessitates a robust battery recycling framework.
- **Revisiting the EPR floor price, enforcing compliance**, and integrating the informal sector **are vital steps in this direction.**
- Done right, battery waste can be transformed from a crisis into a **catalyst for sustainable growth**, advancing not just environmental goals but also economic self-reliance through resource recovery.

The Missing Link in India's Battery Waste Management FAQs

Q1. Why is lithium battery recycling important for India?
Ans. Lithium battery recycling is important for India to prevent environmental pollution, recover valuable minerals, and reduce dependence on imports.

Q2. What is the main problem with India's current EPR floor price?
Ans. The current EPR floor price is too low to cover the actual costs of safe and sustainable battery recycling.

Q3. How can informal recyclers be made part of the solution?
Ans. Informal recyclers can be trained and regulated to safely contribute to the formal recycling sector.

Q4. Will a higher EPR floor price increase costs for consumers?
Ans. No, a higher EPR floor price is unlikely to raise consumer costs, as manufacturers can absorb the additional expense.

Q5. What steps are needed to strengthen battery recycling in India?
Ans. India needs fair EPR pricing, stricter enforcement, digital tracking, and integration of informal recyclers to strengthen its battery recycling system.

Source: The Hindu

India's Pandemic Toll Remains Elusive

Context

- The **COVID-19 pandemic has laid bare the vulnerabilities and systemic inefficiencies** in health systems across the world.
- In India, **the official death toll of approximately 5.33 lakh has been widely challenged by researchers** and international organizations alike.
- Data from India's Civil Registration System (CRS) and Medical Certification of Cause of Death (MCCD) have **uncovered a staggering discrepancy between the officially reported numbers and the actual toll.**
- Therefore, **it is important to delve into the excess mortality during the pandemic years in India, highlighting the limitations of current mortality surveillance mechanisms** and advocating for urgent reforms.

Excess Mortality: A Stark Indicator

- **Excess mortality**, defined as the number of deaths above the expected baseline under normal conditions, **has emerged as a critical metric in understanding the true impac**t of the pandemic.
- CRS data reveals that **India recorded 76.4 lakh deaths in 2019**, which surged to 81.11 lakh in 2020 and dramatically to 1.02 crore in 2021.
- These **increases implicitly acknowledge that the real death toll from COVID-19** far surpasses the official count.
- The **World Health Organisation estimates India's pandemic-related deaths at around 47 lakh**, a figure India's government initially rejected, citing methodological concerns, yet one that increasingly aligns with empirical trends in excess mortality.

Inadequacies in Medical Certification and Registration

- While **the CRS offers valuable insights**, its utility is significantly constrained by incomplete death registration and a weak certification framework.
- The **MCCD data for 2021 highlights that only 23.4% of registered deaths** were medically certified, severely limiting the ability to classify causes of death accurately.
- Alarmingly, **in 2020, 45% of deaths occurred without any medical attention**, a marked rise from pre-pandemic levels.
- This **lack of formal documentation enables widespread misclassification** or under-reporting of COVID-19-related deaths.
- A **field study conducted in Kerala revealed an uptick in daily cremations not limited to COVID-designated facilities,** suggesting substantial underreporting and misclassification.
- Within this cohort, **just 22.8% of the deceased had medically documented causes of death**, underscoring the systemic gaps in mortality data.

The Hidden Toll: Indirect Deaths and Systemic Disruption

- Beyond direct fatalities, **the pandemic has left behind a trail of indirect deaths,** those not caused by the virus itself but by its cascading socio-economic and health-related consequences.
- **Factors such as healthcare avoidance due to fear of infection**, lack of medical supplies, hospital bed shortages, and **extended lockdowns contributed significantly to mortality.**

- **Post-infection complications and chronic disease** exacerbation also **played a critical role.**
- In Kerala, **researchers attributed 34% of observed deaths** to these indirect factors and found that 9% of cases were potentially misclassified.
- Given that Kerala has a comparatively robust health infrastructure, **the implications for states with weaker systems, like Gujarat and Madhya Pradesh, are even more concerning.**
- These f**indings point to a vast undercount in official data and underscore the urgent need for a nuanced, comprehensive understanding** of pandemic-related deaths.

Structural Deficiencies in Mortality Surveillance

- **The pandemic exposed the structural deficiencies** in India's mortality surveillance system.
- The **failure to designate civil registration as an essential service** during the 2020 lockdown led to significant lapses in death reporting.
- According to the National Family Health Survey-5, **nearly 29% of deaths between 2016 and 2020 were unregistered.**
- This **undermines the credibility and completeness of datasets like the CRS** and hampers the formulation of effective public health policies.
- Furthermore, **the lack of universal medical certification and regional disparities in data registration practices exacerbate the opacity** surrounding COVID-19 mortality.
- These **systemic flaws weaken the country's preparedness** for future health crises and compromise accountability.

The Way Forward: Reform and Systematic Inquiry

- The **discrepancies between reported and actual deaths** during the pandemic make a compelling case for reform.
- **Policymakers must commission a large-scale, independent inquiry** into pandemic-related mortality.
- This **could include integrating questions about decedents in the upcoming Census**, conducting retrospective mortality surveys, and enhancing the coverage and accuracy of medical certification.
- More broadly, **India needs to overhaul its mortality surveillance infrastructure** by ensuring universal death registration, mandating timely and accurate medical certification, and strengthening public health data systems.
- **These reforms are essential not only for accurately gauging the impact of the COVID-19 pandemic but also for building resilience** against future public health emergencies.

Conclusion

- The COVID-19 pandemic has **revealed the profound inadequacies in India's mortality reporting systems.**
- **Excess deaths, indirect fatalities, and widespread under-registration have distorted the official narrative,** masking the true scale of human loss.
- Moving forward, **India must prioritise transparent, comprehensive mortality surveillance as a cornerstone of public health policy.**

- **Recognising and learning from these gaps is vital,** not just to honour the lives lost, but to ensure that future generations are better protected against crises of this magnitude.

India’s Pandemic Toll Remains Elusive FAQs

Q1. What is excess mortality?
Ans. Excess mortality refers to the number of deaths during a crisis that exceed the expected number under normal conditions.

Q2. How many deaths were recorded in India in 2021 according to the Civil Registration System?
Ans. According to the Civil Registration System, India recorded 1.02 crore deaths in 2021.

Q3. Why is medical certification of deaths important?
Ans. Medical certification is important because it helps accurately determine and classify the causes of death.

Q4. What are indirect deaths in the context of the COVID-19 pandemic?
Ans. Indirect deaths are those not caused by the virus itself but by the pandemic’s broader effects, such as lack of medical care or lockdown-related disruptions.

Q5. What is one major recommendation made in the analysis?
Ans. The analysis recommends a large-scale inquiry into pandemic-related mortality and urgent reforms in India’s death registration and certification systems.

Source: The Hindu

Article 370 – Jammu & Kashmir Six Years After Abrogation

Context:

- **The abrogation of Article 370 on August 5, 2019**, and the subsequent transformation of Jammu & Kashmir into a Union Territory (UT) was projected as **a move aimed at ensuring national integration, development, and peace.**
- Six years later, **a critical review reveals mixed progress** across politics, security, economy, and tourism, with persistent structural and governance challenges.

Political Developments – Democratic Revival with Limited Authority:

- **Resumption of electoral politics:**
    - National Conference (**NC**) leads the new elected government, seen as a return to democratic representation.
    - However, key powers (police, services) have been retained by the **Lieutenant Governor**, curbing the authority of the elected CM.

- **Push for statehood and symbolic politics:**
    - First cabinet decision: Resolution for restoration of full statehood.
    - CM Omar Abdullah reaffirmed special status and revived Martyrs' Day (July 13), stirring tensions with the Centre.
    - Centre views NC pragmatically, but ideological tensions over Article 370 remain.

Security – Progress Undone by Pahalgam Attack:

- **Decline in terrorism and militancy:**

  Sharp fall in violence post-2019 –

    - Only 28 terrorists killed in 2025, down from 67 in 2024.
    - Local militant recruitment dropped from 129 (2019) to 1 (2025).
    - No recent cases of stone-pelting, hartals, or abductions.

- **Pahalgam attack – A grim reminder:**
    - 26 civilian deaths in 2025 occurred in a single attack in Pahalgam (April).
    - **Exposed gaps** in security preparedness in tourism zones.
    - India responded with Operation Sindoor, targeting camps across the border.

Economy – Investment, Revenue Surges:

- **Industrial investments:**
    - The Centre launched a **new industrial scheme in 2021** promising incentives to attract investments.
    - Proposed investments in J&K now total **Rs 1.63 lakh crore**, of which more than Rs 50,000 crore is in various stages of operationalisation.
    - Production has begun in 359 industrial units; another 1,424 units are in advanced stages of completion.
    - The government says **investment realisation in 2024-25 is 10 times** more than the pre-2020 period.

- **Revenue and GDP growth:**
    - **J&K has seen a sharp uptick in tax revenues:** GST collection increased by 12%, excise by 39%, and overall non-tax revenues rose 25% between 2022 and 2024.
    - The state's GDP doubled from Rs 1.17 lakh crore in 2015-16 to Rs 2.45 lakh crore in 2023-24, and hit Rs 2.63 lakh crore in 2024-25.

- **Power sector reforms:**

- 74 lakh smart meters installed; transmission losses cut by 25%.
- Winter capacity drops to 600–650 MW, requiring central allocations.
- Rs 10,000 crore invested in power infra; generation to double by Dec 2026.

- **Banking and fiscal health:**
  - J&K Bank turned around from Rs 1,139 crore loss (2019-20) to Rs 1,700 crore profit (2023-24).
  - **NPAs halved, but fiscal health fragile –**
    - The fiscal deficit remains high.
    - 70% of government expenditure depends on central grants.
    - Core sectors like agriculture and industry remain underperforming.

Economic Growth Trends – A Disappointing Performance:

- **Sluggish GSDP growth:**
  - Post-2019, J&K's $30 billion economy has grown at a much slower pace.
  - Both nominal and real GSDP growth have declined significantly.
  - J&K's share in national GDP has fallen to 0.77%.
- **Decline in tertiary sector growth:**
  - Tertiary sector (60% of the economy) growth dropped to 5.8% in 2023-24 from 11% in 2022-23.
  - Income growth from hotels and restaurants plunged from 38% to 13%.
- **Real per capita income gap widens:**
  - The growth in real per capita income has also been halved — from 6% to less than 3%.
  - Per capita income dropped to 76% of the national average, from 84% in 2011-12.
  - Highest-ever income gap recorded in 2024.

Employment and Industrial Slowdown:

- **High unemployment despite labour participation:**
  - The unemployment rate peaked at 23% in March 2023, remaining at 17% in 2024.
  - **In the 15-29 age bracket**, the unemployment rate of more than 30% is almost double the national average.
  - It is among the states where high unemployment persists despite increased Worker Population Ratio.
- **Industrial stagnation:**
  - Number of factories stagnant since 2016-17.

- Workers in industry hit a decadal low in 2022-23.

Capital Formation and Investment Reality:

- **Sharp fall in fixed capital formation:** Fixed capital peaked in 2016-17, halved by 2022-23. Separation of Ladakh is not a factor in this decline.
- **Investment claims vs reality:** Government claims Rs 84,544 crore worth of proposals, but –
  - Only Rs 2,518 crore invested on the ground in 2023.
  - Central surveys show a decline in invested capital since 2017.

Fiscal Health and Rising Debt:

- **Mounting debt levels:**
  - Internal debt doubled post-2019.
  - Outstanding liabilities are now about 60% of GSDP (vs national average of less than 30%).
  - Fiscal deficit persists at around 6%, breaching FRBM limits.
- **Revenue growth with borrowing:**
  - State revenues increased three times in 8 years.
  - Tax-to-GDP ratio increased from 6.3% to 8.4% post-GST.
  - Still, higher borrowings indicate fiscal distress.

Credit Constraints and Capital Scarcity:

- **Low credit access:**
  - Credit-to-GSDP ratio only 38% in 2024.
  - J&K's share in national credit is under 1%.
  - Indicates low capital availability, hindering private sector growth.
- **Risk of a debt trap:**
  - Rising credit-deposit ratio driven by consumption, not investment.
  - J&K experiences net resource outflow due to low deposit growth.

Inflation and Wage Dynamics:

- **Persistent inflation:** Inflation remained slightly above the national average since 2019.
- **High wages:** Daily wage rates (agriculture, construction) 2nd highest in India after Kerala.

Tourism – High Growth Amid Security Fragility:

- **Boom followed by setback:**
    - Record 2.11 crore tourists in 2023, with tourism contributing 7% to GDP.
    - 75 new destinations opened; over 2,000 homestays registered.
- **Pahalgam attack's impact:**
    - Led to closure of 50 tourist spots, later reopened in phases (16 reopened).
    - Adventure tourism is restricted to areas with strong security presence.
- **Private investment challenges:**
    - Only five hotels joined the new industrial scheme.
    - Projects by Radisson and JW Marriott are exceptions.
    - Land availability cited as a key hurdle.

Structural Constraints and Future Outlook:

- **Structural weaknesses worsen:**
    - J&K remains a high-cost, import-dependent economy.
    - Export-oriented sectors have not driven growth.
    - Continued reliance on expansionary public expenditure and overleveraged budgets.
- **Lack of transformation:**
    - **Current economic indicators do not reflect a take-off stage** (À la Rostow" – Refers to the development model that suggests that all countries progress through five distinct stages (traditional society, preconditions for takeoff, takeoff, drive to maturity, and age of high mass consumption) of economic development).
    - **Long-term, sustainable economic transformation remains elusive.**

Conclusion:

- Six years post-abrogation of Article 370, **Jammu & Kashmir presents a complex picture** — notable gains in security and investment, but with persistent gaps in political autonomy, fiscal sustainability, and private sector confidence.
- The Pahalgam attack has refocused attention on fragile peace, reminding stakeholders that **security and development must go hand-in-hand** for lasting integration and prosperity.
- Unless **structural challenges are addressed** and **private investment catalysed**, the vision of economic integration and prosperity may remain unfulfilled.

Article 370 FAQs

Q1. How has Article 370 abrogation influenced J&K's political structure?

Ans. It restored democratic representation but limited the powers of the elected government under the Lieutenant Governor’s authority.

Q2. Has terrorism reduced in J&K post-2019?

Ans. Yes, terrorism indicators have declined, but the Pahalgam attack in 2025 exposed persistent security gaps.

Q3. What is the status of industrial investment in J&K after 2019?

Ans. While proposed investments increased, actual private sector participation and industrial output remain limited.

Q4. Is tourism in J&K sustainable post-Article 370?

Ans. Tourism saw a boom, but security threats and poor private investment hinder long-term sustainability.

Q5. Has J&K achieved fiscal stability after reorganisation?

Ans. Despite better revenue mobilisation, high fiscal deficits and central grant dependency continue.

Source: IE
