

VEDHIK  
**DAJLY NEWS**  
**ANALYSIS**

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## **FOREWORD**

We, at Team Vedhik is happy to introduce a new initiative - "Daily Current Affairs\_The Hindu" compilations to help you with UPSC Civil Services Examination preparation. We believe this initiative - "Daily Current Affairs\_The Hindu" would help students, especially beginners save time and streamline their preparations with regard to Current Affairs. A content page and an Appendix has been added segregating and mapping the content to the syllabus.

It is an appreciable efforts by Vedhik IAS Academy helping aspirants of UPSC Civil Services Examinations. I would like to express my sincere gratitude to Dr. Babu Sebastian, former VC - MG University in extending all support to this endeavour. Finally I also extend my thanks to thank Ms. Shilpa Sasidharan and Mr. Shahul Hameed for their assistance in the preparing the compilations.

We welcome your valuable comments so that further improvement may be made in the forthcoming material. We look forward to feedback, comments and suggestions on how to improve and add value for students. Every care has been taken to avoid typing errors and if any reader comes across any such error, the authors shall feel obliged if they are informed at their Email ID.

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# 5 antique idols seized from popular art gallery in city

Two of its employees have been arrested, search launched for the owner

**R. SIVARAMAN**  
CHENNAI

The Idol Wing CID has seized five antique idols from a luxury life store and art gallery located on Nungambakkam High Road and its departmental store from Thanjavur on charges of illegal possession and alleged involvement in attempting to sell them to the tune of ₹110 crore. The police also arrested two of the gallery staff and launched a search for the owner. Following credible information, the Additional Director General of Police, Idol Wing CID, K. Jayanth Murali, deputed a special team of police personnel to conduct a search at Cottage Industries Exposition Pvt. Ltd., Nungambakkam High Road. On searching the premises, the team found that the gallery was selling antique idols illegally.

Mr. Jayanth Murali told *The Hindu*, “We have conducted a thorough search and seized a Nataraja idol, which is 1,000 years old. A lot of sale documents were



**Artefacts retrieved:** The idols seized from the art gallery in Nungambakkam. ■ SPECIAL ARRANGEMENT

seized from there. Our investigation led to its branch in Thanjavur and also the seizure of two more antique idols, used in the temples of east Asian countries. They are worth around ₹60 crore.”

Idol Wing CID, Tiruchi, seized the two antique idols of Vishnu with eight hands that were hidden at Saga De-



partmental Store, Keelaraja Veedhi, Thanjavur.

## **Cambodian origin**

The idols are of Khmer style, and are suspected to have been bought from Cambodia.

Mr. Murali said, “Our investigation revealed the proprietors of the gallery had illegally bought the antique

idols that were stolen from temples. They also tried to display and sell them. These antique idols would be shown only to genuine buyers. When we demanded antiquity certificates, they did not submit them. These people were selling antique items to foreigners for 10 years.”

The police arrested – S. Anand, of Thirunindravur, 45, who was the manager of the gallery, and S. Venkatesan, 47, of Kumbakonam, a cashier, and seized two more idols from them.

“We are going to investigate the trail of other items that they have sold. We have launched a search to nab the prime suspects in the case. We have seized five idols, and we are going to have more seizures in the days to come,” Mr. Murali said.

Superintendent of Police, Idol Wing CID, R. Ponni said, “The arrested said that negotiations were on to sell the Khmer style Vishnu idols for ₹60 crore and the Nataraja idol for ₹50 crore.”

# Pakistan's NSA to skip Indian conference on Afghanistan

SUHASINI HAIDAR  
NEW DELHI

Calling India a "spoiler" in Afghanistan, Pakistan's National Security Adviser Moeed Yusuf said he would not accept the Modi Government's invitation to the meeting of re-

gional security chiefs being organised in Delhi next week.

"I won't go," said Mr. Yusuf in response to questions in Islamabad about Pakistan's decision. "A spoiler cannot try to become a peacemaker," he added.

Mr. Yusuf was speaking to the Pakistani media after a meeting with Uzbekistan's Secretary of the Security Council Lt. Gen. Viktor Makhmudov, who was in Islamabad for the Establishment of a Joint Security Commission

with Pakistan, and has also been invited to the conference in Delhi.

**Confirmations received**  
Diplomatic sources said Gen. Makhmudov is likely to attend the conference. India

has also received confirmations from other invitees, including Russia, Kyrgyzstan, Kazakhstan and Tajikistan.

The Chinese Government has not yet confirmed if it will send a security official to the conference, mainly because

of strict quarantine regulations in place there, an official told *The Hindu*. India is pursuing a videoconference appearance if no Chinese delegate travels to Delhi.

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## Climate pledge

Nations must realise they are not in a competitive race but trying to outrun the clock

In a surprise move at COP26 in Glasgow, Prime Minister Narendra Modi announced that India will commit to ambitious, enhanced climate targets and cuts in carbon emissions in its Nationally Determined Contributions (NDCs). There were promises to increase non-fossil fuel energy capacity to 500 GW, meet 50% energy from renewable energy, reduce emissions by one billion tonnes, and bring down the economy's carbon intensity below 45%, all by 2030. Finally, the PM made the much-awaited declaration: to reach Net Zero emissions by 2070. The announcement came as a surprise given that India had given no assurances to visiting western climate negotiators before the conference, and had not filed updated NDCs by the deadline last month. Earlier, the G20 summit in Rome ended without any new commitments on climate change, and India's G20 Sherpa and Minister Piyush Goyal had said that India could not "identify a year" for ending net carbon emissions (ensuring carbon dioxide emissions are absorbed by the use of technology and lowering output), unless the developed world committed to funding India's energy transition and enabled clean technology transfers on a much higher scale. Mr. Goyal even suggested that India could not switch to non-fossil fuel and end coal-based thermal plants unless it was made a member of the Nuclear Suppliers Group, where it is being blocked by China and a number of other countries.

Mr. Modi's pledges in 2021 will require an almost immediate shift in the Government's priorities if it wishes to meet its first few goals in just eight years. According to one estimate (the Centre for Science and Environment), the promise to reduce emissions by one billion tonnes would need a reduction in India's carbon output by a massive 22% by 2030. On Net Zero, the target of 2070 is two decades after the global goal at mid-century, and would require the world's other growing economies including China to peak emissions, preferably by 2030 itself. India meets about 12% of its electricity needs through renewable energy, and ramping that up to 50% by 2030 will be a tall ask too. If the Government realises Mr. Modi's promises in Glasgow, India will be a global beacon in fighting climate change and ensuring sustainable development. At the least, it is hoped the commitments will inspire other countries to keep their word, particularly the developed world that has lagged behind in fulfilling combined promises of billions of dollars to fund emerging economies, LDCs and the most climate vulnerable countries in the global South. When it comes to climate change, countries must remember they are not in competition with one another, but trying together to outrun the clock.

## World leaders pledge to save forests, cut methane emissions

90 countries join U.S.-EU plan at COP26; India, China, Russia yet to sign up

REUTERS  
GLASGOW

Leaders at the COP26 global climate conference in Glasgow have pledged to stop deforestation by the end of the decade and slash emissions of the greenhouse gas, methane, to help slow climate change.

The inability of major powers so far to agree more broadly on rapid reductions in the use of fossil fuels, the main cause of man-made global warming, has upset the poorer, smaller countries likely to suffer its worst effects.

Surangel Whipps Jr, President of Palau, a Pacific state of 500 low-lying islands under threat from rising sea levels, told the leaders of the G20 industrial powers in a speech: "We are drowning and our only hope is the life-ring you are holding."

Nearly 90 countries have joined a U.S.- and EU-led effort to slash emissions of methane 30% by 2030 from 2020 levels, a senior Biden administration official said ahead of a formal announcement on Tuesday.

The Global Methane Pledge, first announced in September, now covers emissions from two-thirds of the global economy, according to the U.S. official. Among the signatories is Brazil - one of the five biggest



Common goals: Prime Minister Narendra Modi with his British counterpart, Boris Johnson, at the UN Climate Change Conference, COP26, in Glasgow on Tuesday. AP

emitters of methane, which is generated in cows' digestive systems, in landfill waste and in oil and gas production. Three others - China, Russia and India - have not signed up. Australia has said it will not back the pledge.

### \$19 billion for forests

In 2020, the world lost 2,58,000 sq. km of forests according to the Global Forest Watch. The conservation charity WWF estimates that 27 football fields of forest are

lost every minute.

Over 100 national leaders pledged to halt and reverse deforestation and land degradation by the end of the decade, underpinned by \$19 billion in public and private funds to invest in protecting and restoring forests.

The agreement expands a commitment by 40 countries as part of the 2014 New York Declaration of Forests. COP26 aims to keep alive a receding target of capping global warming at 1.5 de-

grees Celsius above pre-industrial levels to avert still greater damage from heat-waves, droughts, floods and coastal damage that climate change is already causing.

Under the agreement, 12 countries pledged to provide \$12 billion of public funding between 2021 and 2025 for developing countries to restore degraded land and tackle wildfires.

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# Trade and climate, the pivot for India-U.S. ties

The two areas are interrelated and will lend additional strength to the foundation of a true partnership



MARK LINSCHOTT &  
IRFAN NOORUDDIN

When the history of the 21st century is written, India and the United States and the strategic alliance they forge should play starring roles. Granted, it is far too early to predict how successful their joint efforts will be in creating a free and open Indo-Pacific – one that advances democratic values and confronts autocracies globally and locally. As 2021 closes, with COVID-19 still a present danger and China, the emerging superpower on the global stage, viewed by both as a strategic competitor, India and the U.S. have a long way to go before they can inspire confidence that this blossoming alliance will endure for the long term.

## Areas of convergence

We believe that the fate of the grand strategic ambitions of the relationship may in fact depend substantially on how well they collaborate in two areas to which their joint attention is only belatedly turning – climate and trade. The first presents an existential threat while the second is too often dismissed as a secondary consideration, even dispensable in the name of pursuing larger strategic interests. Such thinking ignores

the lessons of history: strategic partnerships capable of re-shaping the international global order cannot be based simply on a negative agenda. Shared concerns about China provide the U.S.-India partnership a much-needed impetus to overcome the awkward efforts for deeper collaboration that have characterised the past few decades. What risks being lost is a reckoning with how interrelated climate and trade are to securing U.S.-India leadership globally, and how their strategic efforts can flounder without sincere commitment to a robust bilateral agenda on both fronts.

## Some encouraging signs

There has been progress. The U.S. Special Presidential Envoy for Climate, John Kerry, has visited India twice already, and India and the U.S. are collaborating under the Climate and Clean Energy Agenda Partnership. In parallel, there are hopeful signs that they are now prioritising the bilateral trade relationship by rechartering the Trade Policy Forum. Both countries are also taking leading roles, articulating their climate concerns and commitments. However, early signs suggest we might be headed for a replay of previous show-downs at COP26 in Glasgow: while India just announced a net zero goal for 2070 – a welcome development even if well after catastrophic climate scenarios may be baked in – it has called for western countries to commit to negative emissions targets. India's rhetoric of climate justice is likely to be received poorly by U.S. negotiators,



BETWIMAGES/ISTOCKPHOTO

particularly if it aligns with China's messaging and obstructs efforts to reach concrete results. Likewise, the failure of the U.S. and India to articulate a shared vision for a comprehensive trade relationship raises doubts about how serious they are when each spends more time and effort negotiating with other trading partners. Protectionist tendencies infect the politics of both countries these days, and, with a contentious U.S. mid-term election a year away, the political window for achieving problem-solving outcomes and setting a vision on trade for the future is closing fast.

## The interlinks

Climate and trade are interrelated in many ways, from commercial dissemination of cutting-edge carbon mitigation and adaptation products and technologies to the carbon emissions that come with the transport of goods and humans from one country to another. If governments, such as India and the U.S., coordinate policies to incentivise sharing of climate-re-

lated technologies and align approaches for reducing emissions associated with trade, the climate-trade inter-relationship can be a net positive one.

## Work on early solutions

For example, India and the U.S. could find opportunities to align their climate and trade approaches better, starting with a resolution of their disputes in the World Trade Organization (WTO) on solar panels. As they have dithered in pursuing cases in the WTO and settling them, China has effectively captured the global market, leaving each dependent on a source they view as a threat. The two countries could also chart a path that allows trade to flow for transitional energy sources, such as fuel ethanol. India currently bans imports of fuel ethanol even as it seeks to ramp up its own ethanol blend mandates and build a domestic sector that can join the U.S. and Brazil in exporting to the world. Left unaddressed, this will be another missed opportunity for the two economies to work to mutual benefit.

Shared strategic interests will be undermined if India and the U.S. cannot jointly map coordinated policies on climate and trade. The most immediate threat could be the possibility of new climate and trade tensions were India to insist that technology is transferred in ways that undermine incentives for innovation in both countries or if the U.S. decides that imports from India be subject to increased tariffs in the form of carbon border adjustment mechan-

isms or "CBAMs". Climate-inspired trade tensions that might even lead to new trade wars can hardly bolster the strategic partnership.

## A point to ponder over

Diplomats on both sides have worked hard over the past few years to paper over such differences so that they do not distract from the efforts to lay the foundations for a closer strategic partnership, but the fissures have not disappeared and ignoring them will not make them go away. Rather, the danger is that they will widen and deepen and come to undermine shared longer-term goals. A mutual failure to confront these issues and present a united front in relations with other countries will surely have strategic consequences.

So, even as they continue to embrace warmly in various strategic settings, U.S. President Joe Biden and India's Prime Minister Narendra Modi might want to ask how this partnership is clearly falling short of its potential, and why. Concerted action on both the climate and trade fronts is mutually beneficial and will lend additional strength to the foundation of a true partnership for the coming century.

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# GOP Senators support CAATSA waiver for India

The amendment seeks to make it harder for the government to impose sanctions on a Quad member

SRIRAM LAKSHMAN  
WASHINGTON

Three Republican Senators have introduced an amendment to the National Defense Authorization Act FY2022 – an annual defence budget Bill – to make it harder for the executive branch of the U.S. government to impose sanctions on members of the Quadrilateral Security Dialogue (Quad) for buying Russian arms.

The move comes as India is expected to take delivery of the S-400 Triumf missile defence system from Moscow – possibly this month or next, potentially attracting sanctions under U.S. domestic law, the Countering Americas Adversaries

Through Sanctions Act (CAATSA) of 2017.

The latest legislation, called the Circumspectly Reducing Unintended Consequences 15 Impairing Alliances and Leadership (CRUCIAL) Act of 2021, requires the U.S. President to certify to "appropriate congressional committees" that a U.S. Quad partner country (India, Australia, Japan) is not cooperating on "security matters critical to the United States strategic interests," prior to applying CAATSA sanctions on entities from that country. Effectively, this would mean the administration would have to say the Quad is dysfunctional, before imposing invoking

CAATSA sanctions on its members.

The amendment is sponsored by Ted Cruz, a Republican Senator from Texas who is part of the Senate Foreign Relations Committee, and co-sponsored by Republican Senators Todd Young (Indiana) and Roger Marshall (Kansas).

If the amendment goes through, this certification requirement will be in effect for 10 years from the date of its passage.

While it is not certain that the amendment will pass, its introduction is one of several recent signals that some U.S. lawmakers have recently been sending the administration to convey their desire

not to see India sanctioned under CAATSA.

## Wrong time

"Now would be exactly the wrong time for President Biden to undo all of that progress through the imposition of these sanctions, which were meant to deter Russia. Doing so would accomplish nothing except undermining our shared security goals of combatting China's aggression and forcing India to become dependent on Russia," Mr. Cruz said in a statement.

Speaking to *The Hindu*, a Senate Republican aide said lawmakers recognised the security situation India has with China.

India is at the "centre" of

the Quad countries "cooperating to counter China", the aide said, and is "the only Quad member that actually shares a border with China, the only Quad member that has actually lost soldiers in combat with China."

However, the authors' intent is to also see a change in India's procurement practices within a ten year time frame.

"So I think I the consideration is that 2033-2034 and beyond, if India is still going to Russia, and is not taking steps to deepen ties with the Quad, I think that's when it would be a different conversation," the aide said. "So I do think there needs to be steps taken over time."

# COVID-19 as a tale of job hardship and marginalisation

The plight of Indian women migrant workers in West Asia highlights the lack of gender-centric, rights-based safeguards



GINU ZACHARIA OOMMEN & ANU ABRAHAM

The Gulf Cooperation Council (GCC) region – it is now known as the Cooperation Council for the Arab States of the Gulf – that hosts about 23 million migrant workers (International Labour Organization, 2017) is riddled with problems that are particularly related to the discrimination of women migrant workers. Most of the migrant workforce which dominates the workspace of the GCC region – accounting for about three-quarters of the workforce of the region (ILO, 2017) – hails from the South Asian and South-east Asian countries, and are on temporary contracts and mostly engaged in low-wage occupations.

## A threat of vulnerability

Women account for 39% of migrant workers in the GCC (International Labour Organization, 2017) and the feminisation of the workforce across multiple sectors of the economy demonstrates a growing trend. Women migrants, who are in the skilled category are mainly nurses in the organised health industry; those in the semi-skilled or unskilled category are domestic workers, care workers, cleaning crew, manufacturing workers, salon staff and salespersons. These workers are vulnerable to abuse and exploitation. For instance, domestic workers, who are mostly women, are greatly vulnerable to abuse owing to the very nature of their workspace.

The onset of the COVID-19 pandemic has exacerbated the vulner-

abilities of women migrant workers. For health workers it is more about the deterioration of their working conditions than the problem of losing their jobs. While interviewing women working across the broad spectrum of jobs, a senior nursing staff said, “The government wanted nurses to be deployed at the COVID centres, and all the hospitals under the Ministry were asked to send their staff. The private hospitals on the other hand were asked not to function. This drastically increased the burden on the government hospitals.” As a result, private hospital staff were asked to go on unpaid leave during the lockdown and the Ministry staff could not even take leave as the situation was declared an emergency.

## Stress in the health sector

In many countries, the work hours of nurses in many countries were extended from eight hours to 12 hours without overtime remuneration – that too in challenging working conditions. A government nurse in Kuwait, recounted, “Initially, our doctor asked us not to use excess gloves and masks because of the fear of falling short of these supplies. So only the nurses at the point of care were allowed to wear a mask. But then the cases started to increase, and we were allowed to wear a mask.”

Another one of them told us, I was assigned the triage area. The personal protective equipment (PPE) gown, mask, and face shield were there, but we were not using gloves; we were using sanitisers. I had to be there continuously every day for three months, from 7 a.m. to 2 p.m.; I had to stand continuously, taking temperature for each patient. This was stressful for my back; this was difficult work for me.”

One of our respondents, work-



GETTY IMAGES

ing in Saudi Arabia, recounted, “The area where I stay was completely locked down due to a large number of cases, we had just one open road. Many hospitals gave leave to staff staying there, but my hospital asked us to continue to commute to work. It was stressful not knowing whether we would catch the infection, as we were also exposing our children and other family members.” A staff working in Kuwait, shared her anxiety. “We used to wear two N95 masks, but there was no social distancing. The staff from different wards travelled together to and from work. This was very risky as workers with asthma and respiratory problems travelled by the same bus.”

Even in January 2021, many of these nurses from different countries had not taken leave, including their annual leave, except if they were COVID-19 positive. Even those who could manage to get off days could not travel home, which added to the immense mental stress. Amidst all the pandemic chaos, our respondents sounded relieved that they somehow kept a job and monthly pay; many of their spouses had lost jobs and had families waiting for their monetary assistance in India.

## For semi-skilled workers

Many of the semi-skilled and unskilled workers found themselves in a bind when they lost their jobs, wages and their accommodation too. When we spoke to another

staff in early 2021, her visa was about to expire, and she was searching for a job. She worked in a salon in Kuwait owned by a local woman who had provided her with shared accommodation, salary and decent working hours. The salon had 30 married women workers from South and South-east Asia. The salon first closed temporarily in March 2020 and all the workers were given accommodation and food till October, which was deducted from their indemnity benefit. However, the salon soon went bankrupt in October and the workers had to vacate without benefits.

A social worker we spoke to described the situation of women working in vulnerable sectors during COVID-19. The vulnerability of the workers has worsened during COVID-19 because of the severe restrictions to mobility. “These exploited women include domestic workers, beauty parlour workers and cleaning crew in hospitals and big companies. Those staying in employer’s premises, especially housemaids are more vulnerable. They did not know what was happening outside, about [the] corona situation. Many women working here, especially housemaids, do not have any medium for getting news about the current situation. Some do not even have [a] phone, while most have only basic phones.” Their communication to the outside world including family is restricted and it is difficult for an outsider to reach them, a hard truth we learned while trying to contact these women for this article.

We spoke to a 60-year-old housemaid who had returned to India from the United Arab Emirates. She had health problems and her employer did not want to be saddled with her health problems during the pandemic. Her maid vi-

sa that had an insurance coverage of 600 dirhams, was just not enough to cover her health costs.

## Other cases

Some of the more vulnerable workers were the ones working ‘illegally’. For example, there was a woman who had emigrated on a child-care visa, but lost her job as her former employers were concerned about the safety of their child during COVID-19. The woman then started working as a housemaid with very low wages but was reluctant to ask for a raise, as she feared being reported. There was also another woman who emigrated as a housemaid in 2008, received her last salary in March 2020, after which her employer gave her the option to work without pay or to return home. Some who found themselves in more challenging situations have quit their jobs and returned home penniless; some have had to borrow money for the air ticket home. Situations such as these have made women workers more vulnerable and susceptible to exploitation.

Whether professionally skilled or unskilled, migrant women workers have not had it easy in a foreign land where the discrimination and exploitation they faced were compounded by the novel coronavirus pandemic. This definitely focuses light on the lacunae persisting in the creation of women-centric, rights-based policies to safeguard migrants.

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# Quota without data

States should base reservation policies on data, not political expediency

An exclusive internal quota for a single caste group was always fraught with the danger of judicial invalidation. It is no surprise, therefore, that the Madras High Court has struck down the Tamil Nadu law that earmarked 10.5% of seats in educational institutions and jobs for the Vanniyakula Kshatriya community and its sub-castes. The court's foremost reason is that the State Assembly lacked the legislative competence to enact the law in February 2021, at a time when the Constitution 102nd Amendment, conferring exclusive power to identify backward classes on the President, was in force. That the Constitution 105th Amendment subsequently restored the States' powers to identify backward classes was not deemed relevant as, on the date of the enactment, the Assembly had been denuded of such power. The Bench of Justices M. Duraishwamy and K. Murali Shankar, also ruled that identifying one caste as a separate group for creating an exclusive quota, without any quantifiable data on its backwardness relative to others, amounted to giving reservation solely on the basis of caste and, therefore, impermissible under the Constitution. Further, it noted that the remaining 115 castes under the 'MBC and Denotified Communities' category were forced to share the remaining 9.5% (in two groups with 2.5% and 7%, respectively) of what used to be a 20% MBC/DNC quota. This amounted to discrimination.

The court also rejected the comparison with the sub-quotas enjoyed without hindrance by Backward Class Muslims and Arundhatiyars, a Scheduled Caste, noting that these two measures were backed by Census data and valid recommendations. What may cause some concern is that the court has said changes in the existing 69% quota classification cannot be made without amending the State's 1994 reservation protection law, which received the President's assent and was also included in the Ninth Schedule to put it beyond judicial review. This legal position may pose problems for the BC (Muslim) and SC (Arundhatiyar) quota too, as these were introduced through stand-alone laws that received only the Governor's assent without any amendment to the 1994 Act. That an impending agitation by the PMK, a restive ally of the then ruling AIADMK, was behind the Vanniyar quota law is known. The government did not wait for the report of a commission it had appointed earlier to gather quantifiable data to justify the State's 69% total reservation. The present DMK regime also backed the exclusive Vanniyar quota in court, and is likely to go on appeal. The Supreme Court has been asking governments to justify their reservation levels through quantifiable data. Instead of looking for shortcuts to popularity, regimes in all States should focus on compiling credible data both on the backwardness of sections of society and their level of representation in public services and educational opportunities.

## RBI issues revised PCA framework for banks

'Asset quality, capital key areas of watch'

PRESS TRUST OF INDIA  
MUMBAI

The RBI on Tuesday issued a revised Prompt Corrective Action (PCA) framework for banks to enable supervisory intervention at "appropriate time" and also act as a tool for effective market discipline.

Capital, asset quality and leverage will be the key areas for monitoring in the revised framework, the banking regulator said.

The revised PCA framework will be effective from January 1, 2022.

"The objective of the PCA framework is to enable supervisory intervention at an appropriate time and require the supervised entity to initiate and implement remedial measures in a timely



**The framework's objective is to enable supervisory intervention at an appropriate time**

manner, so as to restore its financial health," the central bank said.

The central bank also stressed that the PCA framework does not preclude the RBI from taking any other action as it deems fit at any time, in addition to the corrective actions prescribed.

"Indicators to be tracked for capital, asset quality and leverage would be CRAR/Common Equity Tier I Ratio, Net NPA Ratio and Tier I Leverage Ratio, respectively," according to the revised framework.

# RBI panel on ARCs proposes norms for valuers, reserve price

Committee recommends creation of online platform for sale of stressed assets

PRESS TRUST OF INDIA  
MUMBAI

To streamline the functioning of asset reconstruction companies (ARCs), a Reserve Bank panel has come out with a host of suggestions including the creation of an online platform for the sale of stressed assets and allowing ARCs to act as resolution applicants during the IBC process.

The committee, headed by former RBI Executive Director Sudarshan Sen, suggested that the scope of Section 5 of the SARFAESI Act be expanded to permit ARCs to acquire financial assets from all regulated entities, including AIFs, FPIs, AMCs



**Efficacy mantra:** The panel suggests that ARCs be allowed to act as resolution applicants in the bankruptcy process. ■PTI

making investment on behalf of MFs and all NBFCs including HFCs. The performance of the ARCs has so far remained lacklustre, both in ensuring recovery and in re-

vival of businesses. Lenders could recover only about 14.29% of the amount owed by borrowers in respect of stressed assets sold to ARCs in the 2004-2013 period. To

improve the performance of ARCs, the RBI had appointed the committee to examine the issues and recommend measures for enabling ARCs to meet the growing requirements of the financial sector. Stakeholders can send comments on the report to the RBI by December 15.

For accounts above ₹500 crore, two bank-approved external valuers should carry out a valuation to determine liquidation value and fair market value. “Also, the final approval of the reserve price should be given by a high-level committee that has the power to approve the corresponding write-off of the loan,” the report said.

# Data and the quest for truth

Looking for truth in the ocean of data available demands statistical expertise and also innovation



ATANU BISWAS

Whenever I think about 'Data', I think of Brent Spiner. The android of *Star Trek* was self-aware, sapient, sentient, and had striven for his own humanity. Today, 'Data' is already 'Big' and ever-expanding and has the potential to influence every bit of human lifestyle. However, "There is terror in numbers," as Darrell Huff wrote in *How to Lie with Statistics*. The task of statisticians is to churn the data and obtain summary measures, diagrams and figures, rankings and indices, and make conclusions. Is this the much-desired 'human chip' to make 'Data' human?

## Proper understanding of statistics

In reality, statisticians are often like the blind men of the parable, standing in front of an elephant. And inadequate or partial analysis of data may lead to an incorrect portrayal of the elephant. As H.G. Wells is known to have said: "Statistical thinking will one day be as necessary for efficient citizenship as the ability to read and write." Yes, understanding the meaning of statistical and probabilistic conclusions is very important. This was exemplified by the case of Stephen Jay Gould who explained how the statistic that peritoneal mesothelioma, the form of cancer with which he was diagnosed, has a "median survival time of eight months" is misleading given the distribution of that data, and relevant data regarding his individual prognosis. Gould showed a positive outlook to beat the odds. Some of the fighting spirit, he proposed, was the result of his proper understanding of statistics. For once, he argued, statistics manifested itself as a source of optimism, rather than the sterile methodology that most people associate with the term.

Misleading statistics maybe produced due to limitations of the concerned statisticians, or it may even be deliberate, or both. "Misinforming people by the use of statistical material might be called statistical manipulation," Huff wrote. Huff pointed out seven common tactics to knead statistical data into 'dough', which include polling a non-representative group, small sample sizes, and averaging values across non-uniform populations. Huff illustrated how statistical graphs could be used to distort reality. If the bottom of a line or bar chart is truncated, differences look larger than they are. Also, the proportion between the ordinate and the abscissa is sometimes changed for this purpose. With the

help of several real examples, Huff also discussed the 'post-hoc fallacy', which incorrectly asserts a direct correlation between two findings. In his 2001 book, *Damned Lies & Statistics*, Joel Best also used fascinating examples from leading newspapers and television programmes to unravel the use, misuse, and abuse of statistical information.

The goal of statistics is to search for 'truth' amid the randomness of nature. "Uncertain knowledge + Knowledge of the amount of uncertainty in it = Usable knowledge," wrote C.R. Rao in his book *Statistics and Truth: Putting Chance to Work*. Prof. Rao discussed how statistics can be used to judge whether a newly discovered poem is composed by Shakespeare or to mix blood samples from different persons together to test for certain rare diseases to reduce the number of tests.

## Need for innovation

Churning for truth from the ocean of data sometimes demands finer statistical expertise. It also needs innovation. During the communal riots in Delhi after Independence, many people from a minority community took refuge in Red Fort, and some in Humayun Tomb. The government had no exact count of the refugees, and contractors responsible to feed them charged high amounts. A team from the Indian Statistical Institute was asked to estimate the number. They estimated the number of persons inside a given area without having an opportunity to look at the concentrations of persons inside the area and without using any known sampling techniques for estimation or census methods. In fact, based on an idea suggested by J.M. Sen Gupta, they divided the quantities of rice, pulses, and salt used per day to feed all the refugees, as quoted by the contractors, by the respective per capita requirements of rice, pulses, and salt known from consumption surveys, and got three widely different estimates of the number of refugees. The estimate obtained by salt was the smallest and the estimate from the rice was the largest. As rice was the most expensive, its quantity was probably exaggerated. They proposed the quantity obtained from salt as an estimate of the number of refugees. The method was verified to provide a good approximation in the Humayun tomb.

The lesson is clear. In order to extract 'truths' by using statistics, one needs expertise and innovation from the concerned statisticians. Ideal statistical thinking and proper understanding of statistics of the common people, of course, is no less important. A pinch of salt is needed, indeed.

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General Studies Paper I	
A	History of Indian culture will cover the salient aspects of art forms, literature and architecture from ancient to modern times;
B	Modern Indian history from about the middle of the eighteenth century until the present-significant events, personalities, issues;
C	Freedom struggle-its various stages and important contributors / contributions from different parts of the country;
D	Post-independence consolidation and reorganization within the country;
E	History of the world will include events from 18 <sup>th</sup> century such as industrial revolution, world wars, re-drawing of national boundaries, colonization, decolonization,
F	Political philosophies like communism, capitalism, socialism etc.-their forms and effect on the society
G	Salient features of Indian Society, Diversity of India;
H	Effects of globalization on Indian society;
I	Role of women and women's organization;
J	Social empowerment, communalism, regionalism & secularism
K	Salient features of world's physical geography;
L	Geographical features and their location- changes in critical geographical features (including water bodies and ice-caps) and in flora and fauna and the effects of such changes;
M	Important Geophysical phenomena such as earthquakes, Tsunami, Volcanic activity, cyclone etc.
N	Distribution of key natural resources across the world (including South Asia and the Indian subcontinent);
O	Factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India);
P	Population and associated issues;
Q	Urbanization, their problems and their remedies
General Studies Paper II	
A	India and its neighbourhood- relations;
B	Important International institutions, agencies and fora- their structure, mandate;
C	Effect of policies and politics of developed and developing countries on India's interests;
D	Bilateral, regional and global groupings and agreements involving India and/or affecting India's interests.
E	Indian Constitution, historical underpinnings, evolution, features, amendments, significant provisions and basic structure;
F	Comparison of the Indian Constitutional scheme with other countries;
G	Functions and responsibilities of the Union and the States, issues and challenges pertaining to the federal structure, devolution of powers and finances up to local levels and challenges therein; Inclusive growth and issues arising from it;
H	Parliament and State Legislatures - structure, functioning, conduct of business, powers & privileges and issues arising out of these;
I	Structure, organization and functioning of the executive and the judiciary, Ministries and Departments;

J	Separation of powers between various organs dispute redressal mechanisms and institutions;
K	Appointment to various Constitutional posts, powers, functions and responsibilities of various Constitutional bodies;
L	Statutory, regulatory and various quasi-judicial bodies;
M	Mechanisms, laws, institutions and bodies constituted for the protection and betterment of these vulnerable sections;
N	Salient features of the Representation of People's Act;
O	Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential;
P	Citizens charters, transparency & accountability and institutional and other measures;
Q	Issues relating to poverty and hunger,
R	Welfare schemes for vulnerable sections of the population by the Centre and States, Performance of these schemes;
S	Issues relating to development and management of social sector / services relating to education and human resources;
T	Issues relating to development and management of social sector / services relating to health
General Studies Paper III	
A	Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment;
B	Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth;
C	Inclusive growth and issues arising from it;
D	Infrastructure Energy, Ports, Roads, Airports, Railways etc. Government budgeting;
E	Land reforms in India
F	Major crops, cropping patterns in various parts of the country, different types of irrigation and irrigation systems;
G	Storage, transport and marketing of agricultural produce and issues and related constraints;
H	e-technology in the aid of farmers; Technology Missions; Economics of Animal-Rearing.
I	Issues of buffer stocks and food security, Public Distribution System- objectives, functioning, limitations, revamping;
J	Food processing and related industries in India – scope and significance, location, upstream and downstream requirements, supply chain management;
K	Issues related to direct and indirect farm subsidies and minimum support prices
L	Awareness in the fields of IT, Space, Computers, robotics, nano-technology, bio-technology;
M	Indigenization of technology and developing new technology;
N	Developments and their applications and effects in everyday life;
O	Issues relating to intellectual property rights
P	Conservation, environmental pollution and degradation, environmental impact assessment
Q	Disaster and disaster management
R	Challenges to internal security through communication networks, role of media and social networking sites in internal security challenges, basics of cyber security;
S	Money-laundering and its prevention;

T	Various forces and their mandate;
U	Security challenges and their management in border areas;
V	Linkages of organized crime with terrorism;
W	Role of external state and non-state actors in creating challenges to internal security;
X	Linkages between development and spread of extremism.
<b>General Studies Paper IV</b>	
A	Ethics and Human Interface: Essence, determinants and consequences of Ethics in human actions;
B	Dimensions of ethics;
C	Ethics in private and public relationships. Human Values - lessons from the lives and teachings of great leaders, reformers and administrators;
D	Role of family, society and educational institutions in inculcating values.
E	Attitude: Content, structure, function; its influence and relation with thought and behaviour;
F	Moral and political attitudes;
G	Social influence and persuasion.
H	Aptitude and foundational values for Civil Service , integrity, impartiality and non-partisanship, objectivity, dedication to public service, empathy, tolerance and compassion towards the weaker sections.
I	Emotional intelligence-concepts, and their utilities and application in administration and governance.
J	Contributions of moral thinkers and philosophers from India and world.
K	Public/Civil service values and Ethics in Public administration: Status and problems;
L	Ethical concerns and dilemmas in government and private institutions;
M	Laws, rules, regulations and conscience as
N	sources of ethical guidance;
O	Accountability and ethical governance; strengthening of ethical and moral values in governance; ethical issues in international relations and funding;
P	Corporate governance.
Q	Probity in Governance: Concept of public service;
R	Philosophical basis of governance and probity;
S	Information sharing and transparency in government, Right to Information, Codes of Ethics, Codes of Conduct, Citizen's Charters, Work culture, Quality of service delivery, Utilization of public funds, challenges of corruption.
T	Case Studies on above issues.