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DAILY 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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Should India change its policy on the Rohingya?

PARLEY

Its record on refugee protections is exemplary; the Rohingya should not fall victim to internal politics

The Central government reasserted last week that its policy on the Rohingya refugees in India, who it calls "illegal foreigners", will not change. It did so while denying a tweet by Minister of Housing and Urban Affairs Hardeep Singh Puri which said the government will move the Rohingya refugees living in Delhi to flats meant for economically weaker sections. Denying this, the Home Ministry said the government would continue efforts for their "deportation" to Myanmar, from where more than a million Rohingya have fled in the past decade after targeted attacks by the Myanmar military that the United Nations has termed a "genocide". This week marks five years since the last big migration of the Rohingya, who have sought shelter in a number of countries around the world. In a discussion moderated by Suhasini Haidar, Vivek Katju and Meenakshi Ganguly discuss India's policy on the Rohingya and the need for a refugee law. Edited excerpts:



Vivek Katju is a former diplomat, and has served as India's envoy to Myanmar



Meenakshi Ganguly is Human Rights Watch's South Asia Director



Scan the QR code to listen to the full interview online

How would you describe India's policy thus far towards the Rohingya? And does it need to change?

Meenakshi Ganguly: I think there are two issues here: policy and politics. India's record on refugee protections is actually quite exemplary. We have often referred to India when we speak to other governments, because starting with the Tibetans, Sri Lankans, Afghans, Bhutanese and even people from Myanmar, India has hosted hundreds of thousands of refugees. Even though India will argue often that it has not signed the UN Refugee Convention, there has been a particularly humane approach.

Now, we come to the politics of this. India is right now led by a government that ideologically wants to promote Hindu rights. But that also reflects on how it treats other minorities, particularly Muslims. The Rohingya happen to be Muslim. And therefore, often when we hear political leaders speak, they don't even seem to be able to distinguish between the Rohingya who have suffered some of the world's worst atrocities visited upon any com-

munity, and irregular immigrants, economic immigrants, from Bangladesh. They can't seem to even distinguish between the two. And therefore, often the rhetoric is that the Rohingya are taking jobs from Indians and they are a burden on India. Above all, what is most terrifying are these unsubstantiated allegations that thousands of Rohingya are, for some reason, a security threat or a terror threat. So, that is where it is really concerning to see how politics is impacting what has largely been a very humane policy that India has always adopted towards refugees.

Vivek Katju: I agree about India's record of how it has dealt with people who have come to the country to seek refuge, even though it has not signed international instruments. The present UN Secretary-General [António Guterres], when he was the High Commissioner for Refugees, had told me much the same thing. We all know the history of the Rohingya issue. We know that India has only about 40,000 or so Rohingya, whereas there are Islamic countries such as Saudi Arabia, Pakistan and Malaysia which have lakhs and lakhs of refugees. In Saudi Arabia, in 1973, King Faisal himself had given assurances of full and equal treatment. And yet these countries have never made good on these promises. So, I think it's unfair to accuse just India of mistreatment of the Rohingya refugees. There is politics on the refugee issue in all countries, including in Europe and the United States.

Should there be discriminatory treatment of any person who seeks refuge in India? My position is, which I think is the position of all Indians, that there should not. As Hardeep Singh Puri said in his tweet last week, India provides refuge to all regardless of their race, religion, or creed. And I do believe that the government should follow what Mr. Puri has placed on record.

Are the Rohingya being treated differently by the government, though?

VK: The fact is that India, like many other countries, has been impacted



R.V. MOORTHY

by international Islamist terror. And therefore, there is greater sensitivity in India, as there is in other countries, when people of a certain faith come to India. Should they be like that? I don't think so. But these are facts of life. We recently had a case of someone, allegedly of Central Asian origin, who wanted to come to India via Russia [to carry out attacks]. So, I can understand the concern of security agencies. But should that mean that we do not provide any community of refugees with a basic degree of amenities so that they can lead a 'civilised' life? We need to ensure they can lead such lives, and after all, it is part of our tradition.

MG: Yes, the Rohingya are being treated differently. The entire idea of the Citizenship (Amendment) Act was to discriminate on the basis of religion. The Rohingya are ethnically South Asian. In fact, that is why the Burmese call them 'Kalar' because they look South Asian. The discrimination against the Rohingya in Myanmar is, to a large part, based on ethnicity and the idea that they belong to South Asia, to Bangladesh, which was part of the colonial Indian map. I agree that around the world, refugees face a challenge, but the Rohingya are among the saddest communities that we work with. They have been ill treated for so long. They fled Myanmar by boats trying to find refuge, tragically sometimes drowning in the Bay of Bengal. I would love to see India do something different to address the root problem for the Rohingya. Why is it that the Myanmar military that visited such horrors on the Rohingya has since occupied office in the country and is getting away with it?

I understand the concern of security agencies. But should that mean that we do not provide any community of refugees with a basic degree of amenities so that they can lead a 'civilised' life?

VIVEK KATJU

Why is it that India has not spoken up much more loudly on trying to get the Junta held to account?

How much are India's diplomatic concerns and bilateral ties with Myanmar a part of the Rohingya policy? And could India play a bigger role in resolving the issue?

VK: I'll put it very bluntly. India has a major security interest in Myanmar and it is not unnatural for a country like India, which shares such a long border, a history of trouble, to look at its security interest first and foremost. Second, it is absolutely right that within Myanmar, ethnicity is a very sensitive issue, and many communities are discriminated against. It's not a good thing, or something India would like, but that is part of the xenophobia which the Burman community within Myanmar has traditionally shown. It isn't easy for the Indian government to deal with the Myanmar military, as recent developments have shown. There was some hope in the previous decade that they would open up the country, but that hope hasn't materialised. Should India take the lead? I should imagine that the lead on Rohingya rights should be taken by those countries that have hosted the Rohingya for de-

cade. I can name country after country whose own record of treating the Rohingya is abysmal, and they host much larger numbers of them, and they claim to have solidarity with them. So, a leadership role must be played by them.

The Modi government has made it clear that it intends to keep trying to deport the Rohingya to Myanmar. How much should India worry about the principle of non-refoulement or the UN Human Rights Council Universal Periodic Review (UPR), expected later this year?

MG: Well, the UPR looks at many human rights issues including the treatment of refugees, and those are all going to be under scrutiny. On deportation, one of the cases that we are documenting was of a woman called Hasina, who was deported earlier this year. It was inexplicable that a mother of three who was detained in the middle of the pandemic was treated this way. They just forcibly sent her back accompanied all the way by security forces who ignored the Manipur Human Rights Commission findings that they should not deport a woman alone, unaccompanied by her family, into an area where she's likely at risk. I don't understand what the purpose of this policy is, because the solution lies only in persuading the Myanmar authorities concerned to allow refugees to return safely to where they want to be, which is home [in Myanmar].

VK: In principle, who can disagree with what is ideal? People should be safe. There should be no discrimination. Unfortunately, the world we inhabit is far from ideal. And governments, like the Myanmar government, have their own logic, their own historical baggage with conflict. My own sense is that the answer to these issues has to come from within societies themselves. After all, what are we seeing in the U.K., where there is an attempt to move refugees or migrants coming to the U.K. to Third World countries (like Rwanda)? The West speaks of our human rights record ad nauseam. In the context of the UPR, will these countries have any credibility if they want to criticise our human rights record?

Given this situation, does India need a formal refugee policy following UN conventions, or its own refugee law?

MG: Of course, there are international standards and policies that need to be followed by all states – this is something they commit to in the Universal Declaration of Human Rights. Many states that have signed the UN Refugee Convention also do not follow them. I agree there are different standards, and have seen, for instance, how public sympathy has been different for the people leaving Ukraine and the people leaving Afghanistan or Syria just a year prior to that. So, there are all these challenges, which is why a state has to be above these kinds of views or discriminatory approaches to people. To [Bangladesh Prime Minister] Sheikh Hasina's credit, when the refugees first came to her country, she said, if we can feed 160 million people, we have enough food security to feed the 700,000 refugees. Of course, it is frustrating that the situation in Myanmar has worsened, and now of course the same Myanmar military that was committing all these atrocities has taken power. These are complicated issues. The principle has to always be a commitment to universal human dignity without discrimination. That is why we should be happy that Mr. Puri tweeted about India's policy, and spoke about doing the right thing. Now is the time for India to do the right thing. I'm not sure why the policy was then denied or taken back.

VK: I don't think India will ever sign these instruments because of the nature of their origin, and the fact that it is discriminatory. Do we need a refugee law? I think the politics within India today makes it very difficult to have such a law. In principle, I entirely agree that states should be non-discriminatory in all their approaches. Human history itself is the history of migration, and all migration through the millennia has been extremely challenging, extremely troubling, even extremely violent. Today, fortunately, states are trying their best to to reduce that aspect, but are not entirely successful. Those who mandate states must change their policies have to be conscious of the pressures on them.

India, Bangladesh discuss river water sharing issues

‘Making utmost efforts for Teesta deal’

SPECIAL CORRESPONDENT

NEW DELHI

India and Bangladesh discussed a wide range of issues related to the major common rivers such as the Ganga, Teesta and several smaller rivers during the 38th meeting of the Joint River Commission (JRC) held here on Thursday. The Indian delegation led by Gajendra Singh Shekhawat, Minister for Jal Shakti, assured the Bangladesh delegation that India was making “utmost efforts” for agreement on the Teesta.

“The JRC meeting, held in a cordial and friendly atmosphere, discussed the whole gamut of the issues related to the common riv-

ers between the two countries, especially the Ganga, Teesta, Manu, Muhuri, Khowai, Gumti, Dharla, Dudhkumar and Kushiya,” said an official statement issued by Dhaka after the talks.

The two sides also discussed exchange of flood-related data and information, river-bank protection works, common basin management, and also the River Interlinking Project of India.

“Bangladesh side requested for conclusion of the long-pending Teesta Waters Sharing Treaty at an early date. The Indian side assured of their utmost efforts in concluding the agreement,” the statement announced.

'Freebies', a judicial lead and a multi-layered issue

While it is useful to start with the definition of 'subsidies', the issue of 'tax preferences' also merits attention



BISWAJIT DHAR

The Prime Minister's recent comment on "freebies" handed out by governments has reignited the debate on the economic rationale for granting subsidies. Market fundamentalists have seized the opportunity to press home the point yet again that subsidies are, *per se*, undesirable for they contribute to sub-optimal outcomes for the economy. This unbridled affront on subsidies does not make a distinction between transfer payments that are made for running social welfare schemes (without which disenfranchised citizens of this country cannot hope to survive). When this debate began to go astray, it needed a strong reminder by the Supreme Court of India that in the on-going debate on subsidies and "freebies", a distinction had to be made between expenditure made on social welfare schemes and "irrational freebies" offered to voters during elections.

A closer look at the Budget

The lead given by the Supreme Court to engage in a discussion on subsidies must be seen as the starting point to deal with an issue that is truly multi-layered. This becomes evident from a close reading of the Union Budget and the manner in which the various governments have presented data pertaining to subsidies and transfer payments. A more critical aspect is to understand why it is imperative for the Government to continue with agricultural subsidies and extend support to ensure that health and educational services are available to all. This issue

needs to be raised as the narrative of market fundamentalists routinely harps on reducing government spending. But before delving into the intricacies of the way these payments have been presented for public consumption, it may be useful to start with the definition of what can be considered "subsidies".

Although 'subsidy' is among the most discussed issues, a legally acceptable definition of this instrument is hard to come by. One exception is the Agreement on Subsidies and Countervailing Measures (ASCM) of the World Trade Organization. According to ASCM, a subsidy shall be deemed to exist if there is a financial contribution by a government or any public body where government practice involves a direct transfer of funds (e.g., grants, loans and equity infusion), and/or government revenue that is otherwise due is foregone or not collected, and/or a government provides goods or services.

'Subsidy' can also be any form of income or price support granted by the government. This is a comprehensive definition of what subsidies are, for it includes not only direct transfer payments by the governments but also taxes and charges that are not collected. This aspect has gone under the radar in the on-going discussion.

The Union Budget has provided data on direct subsidies and transfer payments from 2006-07 in a statement titled "Revenue Foregone under the Central Tax System" annexed to the Receipts Budget. Thus, the Union Budget includes all categories of subsidies that figure under the ASCM definition. However, from the Union Budget 2015-16 onwards, the title of the annexure was changed to "Statement of Revenue Impact of Tax Incentives under the Central Tax System". So, replacing the term "revenue foregone" with "tax incentives" in the title of the



Annexure was just a change in semantics.

Policy and measures

Tax policy includes a range of measures that include special tax rates, exemptions, deductions, rebates, deferrals, and credits, all of which affect the level and distribution of tax. These measures are often called "tax preferences", which are built into both direct and indirect tax regimes for realising specific benefits serving the greater public good. For instance, the Income-tax Act includes "tax preferences" to promote savings by individuals and for enhancing exports, creation of infrastructure facilities and scientific research and development by corporates. On the other hand, customs duty concessions are intended to promote exports. The more substantive point here is that tax preferences are considered as implicit (indirect) subsidies to preferred tax payers; therefore, they merit attention in the current debate on justification of subsidies.

Data on revenue foregone was first provided along with the Receipts Budget of 2006-07 covering both direct and indirect taxes. As regards direct taxes, which we shall consider here, data on its major components are obtained from the returns filed electronically by corporate and non-corporate assessees. The significance of revenue foregone in the case of direct taxes was underlined in a 2016

Comptroller and Auditor General of India (CAG) report in 2016, which showed that revenue foregone in 2010-11 was 21% of direct tax revenue and had decreased to 15% in 2014-15 (<https://bit.ly/3Kl2yVe>). However, a subsequent report showed that the share had climbed again to reach 22% of tax revenue in 2019-20 (<https://bit.ly/3cfRE6M>).

There are several important facets of the "tax preferences" provided by the Government in respect of direct taxes that are germane to this debate on subsidies. First, as compared to individuals, corporates have been enjoying a larger share for all years except in 2019-20 when the share of individuals inexplicably increased. The figures of 2019-20 are significant also because "tax preferences" for corporates registered an increase, even as corporate taxes were reduced. And, finally, while the Finance Minister spoke about eliminating "tax preferences" available to income-tax payers in lieu of lower tax slabs, which is optional at present (<https://bit.ly/3AOq222>), the corporate sector enjoys "tax preferences" as well as lower tax rates.

A related issue that must be mentioned here is that handouts from the Government, whether they are in the form of "tax preferences", tax-cuts and the plethora of incentives are given for realising specific objectives. If these objectives are not realised, as for instance, the corporate tax cuts effected in 2019-20 did not result in higher private investment as the Government had expected, should this tax cut not be considered "freebies"?

Fading support

This brings us to a much larger issue of targeting agricultural subsidies and also support provided to public health and education for making these services available to

all. Market fundamentalists have forever opposed these subsidies/support by arguing that they are a wasteful use of resources. But this argument has gained currency since every Central government in the past three decades has adopted policies to whittle down support to these sectors extended by the government. Public health and education have consistently been undermined to create space for private players. And, in agriculture, the Government had brought the controversial farm laws for dealing with the issue of increasing farm subsidies.

An underinvestment

While adopting policies targeting these sectors, successive governments have paid little attention to the dismal reality of under-investment in these sectors. Public expenditure on health has struggled to cross 1.5% of GDP, which is significantly lower than those in other major economies. In education, the Kothari Commission's target set in 1966, that public investment should be increased to "6 percent of the national income as early as possible" is but a distant dream.

That agriculture has remained the neglected sector hardly needs to be emphasised. The most galling fact is the astonishingly low share of the country's investment that this sector receives. At the turn of the millennium its share was 10%; in recent years, it has almost halved. As the crisis in agriculture has deepened as a result of this chronic underinvestment, subsidies have been the palliatives extended by the Government for farmers to merely protect their livelihoods. Will the naysayers still call agricultural subsidies "freebies"?

Biswajit Dhar is Professor, Centre for Economic Studies and Planning, School of Social Sciences, Jawaharlal Nehru University, New Delhi

Bank credit growth accelerated to 14.2% in quarter ended June

RBI says credit growth has been broad-based, has outpaced deposit growth

PRESS TRUST OF INDIA
MUMBAI

Bank credit growth accelerated to 14.2% in the quarter ended June from 6% in the year-earlier period, RBI data showed on Thursday.

In the quarter ended March, bank credit had expanded by 10.8%.

“Credit growth has been broad-based: all the population groups (i.e., rural, semi-urban, urban and metropolitan), all the bank groups (i.e., public/private sector banks, foreign banks, RRBs and SFBs) and all the regions of the country (i.e., central, eastern, north-eastern, northern, southern and



Steady state: Deposit growth, year-on-year, has remained in the 9.5-10.2% range during the last five quarters. ■AFP

western) recorded double-digit annual credit growth in June 2022,” the Reserve Bank said in its ‘Quarterly Statistics on Deposits and Credit of SCBs for June 2022’

released on Thursday.

Aggregate deposit growth (year-on-year) has remained in the range 9.5-10.2% during the last five quarters.

Metropolitan branches

continue to account for over half the bank deposits and their share increased marginally over the last one year.

Share of current account and savings account (CASA) deposits in total deposits has been increasing over the last three years (42% in June 2020, 43.8% in June 2021 and 44.5% in June 2022).

As credit growth is outpacing deposit growth in the recent period, credit-deposit (C-D) ratio has been on the rise, the data showed.

In June, overall C-D ratio stood at 73.5% (70.5% a year earlier) and 86.2% for metropolitan branches of banks (84.3% a year earlier).

Forex buffers ample to tackle cyclical difficulty: S&P Global

‘India has strong external balance sheet, lean external debt’

PRESS TRUST OF INDIA
NEW DELHI

India has built up buffers against cyclical difficulties and has ample foreign exchange reserves to withstand pressure on credit worthiness, S&P Global Ratings said on Thursday.

Speaking at the India Credit Spotlight 2022 webinar, S&P Sovereign & International Public Finance Ratings Director Andrew Wood said the country has a strong external balance sheet and limited external debt, making debt servicing not so expensive.

“The country has built up buffers against cyclical difficulties like those, which we



S&P Global expects 6.8% inflation rate this year with risk to the upside

VISHRUT RANA
S&P Global Ratings Economist A-PAC

are experiencing right now,” Mr. Wood said. He said the rating agency did not expect near-term pressures to have a serious impact on India’s credit worthiness. “We are expecting a strong level of GDP growth of 7.3% this fiscal,” he said, adding the rupee exchange rate movement against the U.S. dollar had been moderate.

The rupee has depreciated about 7% against the U.S. currency this year but has

performed better than its emerging market peers.

Mr. Wood said India had “ample buffer” in its foreign exchange reserves and the forex kitty is expected to recover to \$600 billion by the end of this year. Forex reserves stood at \$570.74 billion as of August 12. The agency has a ‘BBB-’ rating on India with a stable outlook.

S&P Global Ratings Economist Asia Pacific Vishrut Rana said economic activity and consumer confidence had been improving. “Inflation is going to be a key concern for the economy for this year. We expect a 6.8% inflation rate this year with risk to upside,” he added.

DATA POINT

Privatising banks

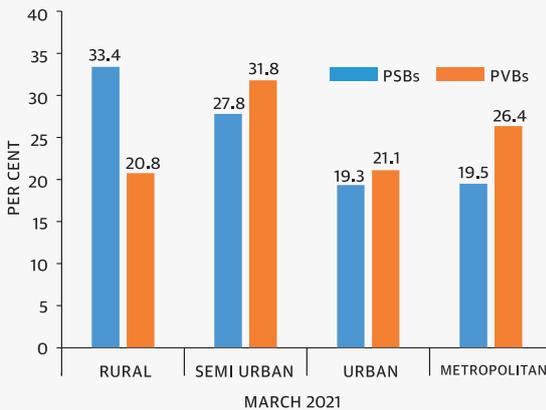
In an article titled 'Privatisation of Public Sector Banks: An Alternate Perspective', published in the RBI bulletin, the authors have cautioned the government against "a big bang approach of privatisation of these banks" as it would do more harm than good. Interestingly, in her FY22 Budget speech, Finance Minister Nirmala Sitharaman had announced plans to privatise two state-owned banks. The article provides an alternative view that justifies the role of public sector banks (PSBs). State-owned banks have the most branches in rural areas, indicating the crucial role they play in financial inclusion. They meet over 60% of rural credit demand and have allocated a larger share of credit to agriculture and industry than private banks.



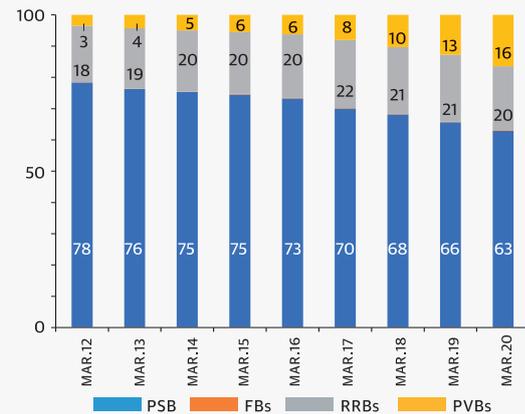
■ By providing credit to the industrial sector, PSBs have played a counter-cyclical role, i.e., they maintain or increase lending even during an economic downturn

■ The authors advocate a gradual approach to privatisation so that it doesn't create a void in fulfilling the social objectives of financial inclusion and monetary transmission

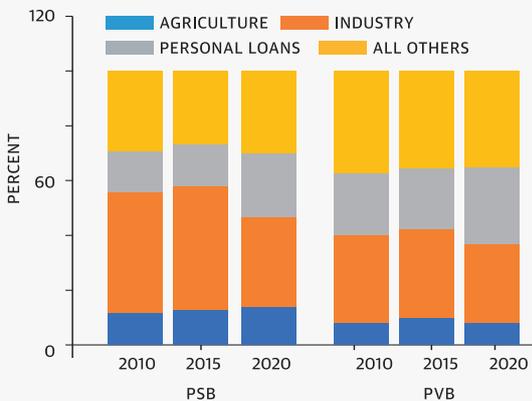
1 Rural penetration | The chart shows the geographical distribution of branches at the end of March 2021. Over 60% of PSB branches are in rural and semi-urban areas indicating the crucial role they play in financial inclusion



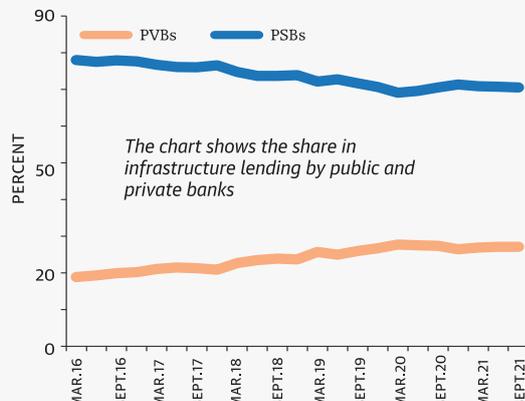
2 Rural lending | The chart shows the share of bank groups in rural lending. PSBs have been the leading lenders and meet over 60% of rural credit demand. While private banks have gradually made inroads in rural lending, the progress has been slow so far



3 Sectoral share | The chart shows the share of sectors in total credit deployed by public and private banks. PSBs have allocated a larger share to agriculture and industry than private banks. The share of PSBs in agriculture lending has also increased over time



4 Infra lending | PSBs account for a majority of infrastructure loans and according to RBI, "their role has been especially crucial against the backdrop of withering away of erstwhile development financial institutions"



Source: Herwadkar, S., Goel, S., & Bansal, R. (August 2022)

Aircraft carrier *Vikrant* to be commissioned on Sept. 2

It will enhance peace and security, says Navy's Vice-Chief

SPECIAL CORRESPONDENT

NEW DELHI

Commissioning of the country's first indigenously built aircraft carrier *Vikrant* will enhance peace, security and stability in the Indian Ocean and Indo-Pacific Region, the Vice-Chief of the Naval Staff, Vice-Admiral S.N. Ghormade, said on Thursday. The carrier is set to be commissioned on September 2 in the presence of Prime Minister Narendra Modi.

"From November, we will commence landing trials which we hope to complete by middle of next year. We will put in all effort so that the aircraft carrier is opera-



Vikrant will be commissioned by PM Modi in Kochi on September 2. ■ THULASI KAKKAT

tional with the aircraft, and the aircraft which are available with us are the MiG-29s," Vice-Admiral Ghormade said at a press conference. The carrier should be fully operational by 2023-end, he said.

He said the Navy had carried out five sets of trials

since August 2021 and they were extremely successful. "From the propulsion, equipment and weapons point of view, the ship is fully operational," he said.

"After commissioning, when the complete crew is there, all systems are in place, only then aircraft landing trials happen," he said.

The Vice-Admiral said that the long-term plan was to deploy the twin-engine deck-based fighter being developed by the DRDO, but in the interim, the Navy was looking at procuring a jet, to be selected between the Super Hornet and Rafale.

IOC to spend ₹2 lakh cr. for net-zero emissions

Plans electrification, fuel replacement

PRESS TRUST OF INDIA

NEW DELHI

Indian Oil Corporation (IOC), the nation's top oil firm, will invest ₹2 lakh crore to achieve net-zero operational carbon emissions by 2046, chairman Shrikant Madhav Vaidhya said on Thursday.

The target set is in line with India's aim to reach net-zero emissions by 2070.

IOC will use a combination of energy efficiency measures, electrification of processes and fuel replacement, he said.

"The company is embarking on a decarbonisation journey that will be crucial not only for the company's destiny, but also for the planet," Mr. Vaidya said.

The investment of more than ₹2 lakh crore will help mitigate emissions to about



0.7 billion metric tonnes of carbon dioxide a year by then. Currently, IOC's greenhouse gas (GHG) emission, emanating majorly from the company's refining operations, is 21.5 million tonnes of carbon dioxide equivalent (MMTCO_{2e}) per annum. This will rise to 40.44 MMTCO_{2e} by 2030 after considering the expansions planned and taking the emissions of its subsidiaries into account.

Malware found in 5 phones, no proof it's Pegasus: panel

SC committee looks through 29 phones

KRISHNADAS RAJAGOPAL
NEW DELHI

A three-judge Bench of the Supreme Court on Thursday said the court-appointed Pegasus technical committee has reported that of the 29 phones examined, five were found infected with “some malware” but that did not mean it was the spyware.

“Twenty-nine phones were given to the committee. There is evidence found of some malware in five out of the 29 phones, but it does not mean the malware of Pegasus,” Chief Justice of India N.V. Ramana, who led the

 I am sorry to say, but there is a line in the committee report saying the Government of India was not cooperative... Whatever stand you had taken here, you took with them



N.V. RAMANA
Chief Justice of India

Bench, remarked orally.

The court had set up the committee following allegations of the use of Israeli spyware Pegasus by the government agencies for targeted surveillance of politicians, journalists and activists.

The Bench also conveyed the committee's observation that the government was “not cooperative”. “I am sorry to say, but there is a line in the report saying the Government of India was not cooperative... Whatever stand you had taken here, you took with them,” the Chief Justice remarked.

Solicitor General Tushar Mehta, for the Centre, clarified saying: “I do not know what happened. But if they had asked ‘whether you are using a particular malware’, we would have said ‘we are not using’. If they had asked ‘what you are using’, we may not have said it.”

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Malware in 5 phones, no proof it's Pegasus: panel

The petitioners and individuals who had given their phones to the committee asked the court to give them a redacted report after taking into consideration issues of national security. "If there is malware, please give us the report. We gave our phones to the committee. We are the people who are concerned," senior advocate Kapil Sibal urged.

The CJI said it had just opened and read the final report of the Pegasus technical committee in the courtroom. The court said it would take into consideration the request to release a redacted copies of the technical committee report.

However, the court said it would publish on its website the separate report of the overseeing judge, Justice R.V. Raveendran, on ways to enhance or improve the cyber security. The final report was in three parts – digital images of phones examined for spyware infection, report of the technical committee and the report of Justice Raveendran, the Bench said.

Justice Raveendran has recommended that country's cyber security needed enhancement while protecting the right to privacy against unauthorised surveillance. The retired judge has said private firms resorting to illegal surveillance ought to be

prosecuted. He has suggested the formation of a special investigation agency for probing cyber attacks and to strengthen the cyber security network.

Justice Raveendran has recommended that the government should create a mechanism for the citizens to complain about surveillance and alleged implantation of malware in their personal devices. The Bench had last assembled on May 20 to peruse an interim report filed by the committee in which it said that it had developed its own protocol and software to test the devices for malware.

The interim report had sought an extension of time till June 20, 2022 to complete the entire exercise and file a comprehensive report before the Supreme Court.

The inquiry by the panel is two-pronged. One, the technical issues relating to the digital forensic aspects about the reported use of Pegasus malware to target mobiles of Indian citizens. Second is regarding recommendations about the enhancement of existing laws and procedures related to surveillance and securing rights, including privacy, cyber security, etc.

On October 27 last year, the court had constituted the technical committee.

SC to review PMLA order on two aspects

Judgment had found no reason for ECIR to be shared with accused, shifts burden of proof on them

KRISHNADAS RAJAGOPAL
NEW DELHI

The Supreme Court on Thursday *prima facie* agreed to reconsider two aspects of the Prevention of Money Laundering Act (PMLA) upheld by its judgment on July 27, which deprives an accused a copy of the Enforcement Case Information Report (ECIR) and transfers the burden of proof of innocence onto shoulders of the accused instead of the prosecution.

A Review Bench led by Chief Justice of India N.V. Ramana clarified that its move to reconsider these two key points in the apex court judgment which upheld several core amendments made to the PMLA should not be construed to mean that the court was opposing the ef-

 We are in principle completely in support of the efforts to prevent black money, its circulation and money laundering. We cannot afford such types of offences

SUPREME COURT



forts of the government to prevent the circulation of black money or money laundering. It said the objective of the government was “noble”.

Two aspects

“We feel that only these two aspects need to be looked into. We are in principle completely in support of the efforts to prevent black money, its circulation and money laundering. We cannot afford such types of of-

fences. The object is noble... But after reading the judgment, *prima facie* we feel that these two areas – non-provision of ECIR and reversal of presumption of innocence – may require re-consideration. We will issue notice. Let the Government of India respond,” Chief Justice Ramana observed orally.

Solicitor-General Tushar Mehta, appearing for the Centre, said entertaining a review of the July judgment would entail serious reper-

cussions. The PMLA was not a standalone law, but part of a larger global structure against the offence of money laundering. India may lose its standing and may not even get financial assistance for its fight against the offence.

He said the review petition filed by Karti Chidambaram, represented by senior advocate Kapil Sibal, was “an appeal in the guise of a review”. To this, the court said it has already acknowledged the seriousness of the offence of money laundering.

“We are not opposing any of the actions taken by the government to stop money laundering or bringing back black money from abroad...” the Chief Justice began to explain.

“Yes, it is serious. We do

not doubt the object or aim... We thought *prima facie* that these two issues are there and we will issue notice and see,” the Chief Justice completed his train of thought while issuing notice to the government and posting the review before an appropriate Bench after four weeks.

The court also ordered several writ petitions, one of them filed by Shivshankar Bhatt through advocate Vipin Nair, which have primarily challenged the introduction of the amendments to the PMLA via the Finance Act route, to be tagged along with the review petition. The July verdict had said the method of introduction of the amendments through a Money Bill would be separately examined by a larger Bench of the apex court.

Citing border pacts, China objects to India-U.S. drills

India says the exercises are not violative of agreements

ANANTH KRISHNAN
BEIJING

China's military, which in 2020 carried out multiple transgressions across the Line of Actual Control (LAC) which India has said violated past border agreements and triggered the worst crisis in decades, has now cited those same pacts to object to upcoming India-U.S. exercises, a charge India denied.

"We firmly oppose any third party to meddle in the China-India border issue in any form," People's Liberation Army (PLA) Senior Colonel Tan Kefei, a spokesperson for the Ministry of Defence, said at a monthly press conference in Beijing in response to questions about the upcoming drills.

In Delhi, External Affairs Ministry spokesperson Arindam Bagchi said that the India-U.S. exercises were "completely different" from the situation at the LAC, and denied that they were "targeting" China or were violative of previous agreements.

In response to a question from *The Hindu* about the PLA statement, Mr. Bagchi said that India had always held that the two sides should "stick to" past agreements.

"Obviously, that hasn't happened," he added, refer-



Tan Kefei

ring to Chinese transgressions along the LAC and to India's protests about the PLA's attempts to change the status quo despite 1993 and 1996 protocols.

According to reports, the upcoming 15th edition of the "Yudh Abhyas" joint exercise is expected to take place next month in a high-altitude area in Uttarakhand less than 100 km from the LAC. In April 2020, two divisions of the PLA, having completed routine exercises, deployed in large numbers close to the LAC and carried out multiple transgressions which, India has pointed out, violated the 1993 and 1996 agreements to maintain peace in the border areas.

A clash in Galwan Valley in June 2020 marked the worst violence along the LAC since 1967. After disengagement in some regions,

talks have been deadlocked to complete the process.

On Thursday, the PLA spokesperson said China "always stressed that military cooperation of relevant countries, especially on exercises and training activities, should not be targeted at any third party, but rather serve to help maintain regional peace and stability."

"The China-India border issue is a matter between the two countries," he said. "Both sides have maintained effective communications at all levels and agreed to properly handle the situation through bilateral dialogues. In light of the relevant agreements signed by China and India in 1993 and 1996, neither side is allowed to conduct military exercise against the other in areas near the Line of Actual Control". "It is hoped," he added, "that the Indian side will strictly abide by the important consensus reached by the leaders of the two countries and the relevant agreements, uphold its commitment to resolving border issues through bilateral channels, and maintain peace and tranquillity in the border area with practical actions."

(With inputs from Suhasini Haider in New Delhi)

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 th 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.
General Studies Paper IV	
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.