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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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Oil rises as OPEC+ agrees to deep cuts; U.S. opposes move, wants lower prices

Reuters
NEW YORK

Oil rose about 1% on Wednesday, as OPEC+ members agreed to its deepest cuts to output since the 2020 COVID pandemic, despite a tight market and opposition to cuts from the United States and others.

Prices also rose on U.S. data that showed crude inventories fell last week.

Brent crude rose 93 cents, or 1%, to \$92.73 a barrel by 10:44 a.m. EDT (1444 GMT).

The 2 million-barrels-per-day (bpd) cut from OPEC+ could spur a recov-



ery in oil prices that have dropped to about \$90 from \$120 three months ago on fears of a global recession, rising U.S. interest rates and a stronger dollar.

Oil had been rising this week in anticipation of the cuts, said Fiona Cincotta,

senior financial markets analyst at City Index.

“The real impact of a large cut would be smaller, given that some of the members are failing to reach their output quotas,” Ms. Cincotta added.

In August, OPEC+ missed its production target by 3.58 million bpd as several countries were already pumping well below their existing quotas.

The U.S. was pressing OPEC+ to avoid deep cuts, a source familiar with the matter told Reuters, as President Joe Biden looks to prevent a rise in U.S. gasoline prices.

Putin expects situation in annexed regions to stabilise, Kyiv presses counter-attack

Agence France-Presse

KYIV

Russian President Vladimir Putin said on Wednesday that he expected the situation to “stabilise” in Ukrainian regions annexed by the Kremlin after Moscow suffered military setbacks and lost several key towns to Kyiv.

He also ordered his government to seize control over Europe’s largest nuclear power plant in the Russian-controlled region of Zaporizhzhia with IAEA head Rafael Grossi en route to Kyiv for consultations on the facility. Just hours earlier, the Ukrainian-appointed head of Lugansk Sergiy Gaiday announced that the “de-occupation of the Lu-



A resident sitting outside a building destroyed by Russian drones in Kyiv. AFP

gansk region has already officially started”.

Mr. Putin on Wednesday signed into legislation his annexation of four Ukrainian territories – including Lugansk – as the European Union agreed a new round of sanctions against Mos-

cow in response.

Kremlin spokesman Dmitry Peskov said Moscow would take back land it lost to Kyiv within the annexed regions.

On Tuesday, Ukrainian President Volodymyr Zelensky said his forces were making “rapid and powerful” gains and had retaken “dozens” of villages in the east and south.

The latest battlefield maps from Moscow showed that Russian troops had left many areas in Kherson, including along the west bank of the Dnipro River.

On Tuesday, U.S. President Joe Biden told Mr. Zelensky that another \$625 million in military assistance was on the way.

Sri Lanka is anticipating a 'significantly lesser' number of favourable votes at UNHRC

Voting pattern 'is not a fair reflection' of how all members think about the country, 'heavy lobbying' by powerful countries preceded the vote at the Council, says Foreign Minister Ali Sabry

Meera Srinivasan
COLOMBO

Sri Lanka will get a "significantly lesser" number of favourable votes at the UN Human Rights Council, Foreign Minister Ali Sabry on Wednesday said, apparently resigned to reduced international support at the Geneva forum whose 51st session is underway.

"The number of votes will be significantly lesser. We have to be realistic," Mr. Sabry, currently in Geneva, told a media conference held virtually. Observing that the voting pattern "is not a fair reflection" of how all members think about Sri Lanka, he said "heavy lobbying" by powerful countries preceded the vote at the Council, which was "all geopolitics".

Shift in tone

The Minister's position signalled a shift in Colombo's tone from a month ago, when Mr. Sabry said Sri Lanka was "not interested in confrontation, we want to work towards consensus with all partners".

A resolution on Sri Lanka will be put to vote likely on Thursday, highlighting the long-pending demands for truth and justice for alleged war crimes from the civil war era and the years after it ended in 2009, apart from other rights vio-



Reparation call: A resolution on Sri Lanka related to war crimes from the civil war era will be put to vote likely on Thursday. AFP

lations since.

The proposed resolution this year also underscores the importance of addressing "underlying governance factors and root causes" that have "contributed to" Sri Lanka's unprecedented economic crisis. It identifies "deepening militarisation, lack of accountability in governance and impunity for serious human rights violations and abuses", as a central obstacle to the rule of law, reconciliation and sustainable peace and development in Sri Lanka. Further, it "recognises that the promotion and protection of human rights and the prevention of and fight against corruption are mutually reinforcing."

In March 2021, Sri Lanka faced a UN resolution that was put to vote in Geneva. While 22 countries voted in its favour, 11 countries vot-

ed against it – endorsing Sri Lanka's position – and 14 countries, including India, abstained. While it is widely expected that India may abstain yet again, more countries among the Council's 47 members are likely to proactively back the resolution.

Contending that the Council was "polarised", Minister Sabry said the international community, mainly the West that includes key economic powers, were "using Sri Lanka to test their agenda". "Sri Lanka has repeatedly said we need time and space to address pending issues, but the Core Group is not willing to listen," he said, referring to the group of countries led by the United Kingdom that are the main sponsors of the Sri Lanka resolution this year. The Group includes the United States, Germany, and Ca-

nada among others. Some 30 other countries are said to have joined the Core Group, backing the resolution.

Anti-terrorism law

Outlining the government's efforts to repeal the country's much criticised anti-terrorism law, and introduce a new one; bring about constitutional amendments to strengthen parliamentary mechanisms and redistribute "94%" of military-held lands in the north and east, Mr. Sabry said "none of it is credited" by the international community, even as he argued that some recommendations of the resolution sought to interfere with Sri Lanka's Constitution.

Asked why the Sri Lankan government, which is willingly working with international actors including the International Monetary Fund – that makes its support conditional on several governance aspects – for economic recovery resisted foreign mechanisms on the rights front, Mr. Sabry said: "That is because Sri Lanka is a member of the IMF, we opted for IMF assistance, and we are part of the negotiations ...it is not imposed on us," although Sri Lanka has been a Member State of the U.N. since 1955, engaging with its mechanisms and agencies.

White House calls OPEC Plus supply cut move ‘shortsighted’

Sriram Lakshman

WASHINGTON DC

Reacting to the oil cartel OPEC’s (Organization of the Petroleum Exporting Countries) decision to cut production, the White House said U.S. President Joe Biden was “disappointed”, calling the decision “shortsighted”.

“At a time when maintaining a global supply of energy is of paramount importance, this decision will have the most negative impact on lower- and middle-income countries that are already reeling from elevated energy prices,” U.S. National Security Advisor Jake Sullivan and National Economic Council Director Brian Deese said in a statement. The statement was released shortly after OPEC Plus – a group led by Saudi Arabia (and including Russia and other oil exporters in the ‘Plus’ or expanded version) – announced its decision to

Biden will consult with Congress on how to reduce OPEC’s control over energy prices

cut production by 2 million barrels per day.

The statement said the President would consult with the U.S. Congress on mechanisms available to reduce OPEC’s control over energy prices. The cut in Opec Plus production creates upward pressure on oil prices which have fallen to about \$90 per barrel from about \$120 per barrel in early June.

It also works to undermine curbs on the price that Russian oil can fetch on the market. Last month, the Group of Seven (G7) economically advanced countries had agreed in principle to implement a price cap on Russian oil in order to limit the revenues Moscow can

earn to fund its continuing invasion of Ukraine.

India has not committed to joining the G7 Russian oil price cap. Citing national interest, India had defended its move to buy Russian oil at discounted prices despite pressure from the U.S. and others. A price cap would work at the upper end of the price spectrum, while India has been buying discounted oil. “We are a \$2,000 per capita economy. The price of oil is breaking our back,” External Affairs Minister S. Jaishankar had said in Washington last week, standing beside U.S. Secretary of State Antony Blinken at a joint press appearance.

The U.S. has had a “positive dialogue” with India and China on the G7 price cap, U.S. Assistant Secretary of the Treasury for economic policy, Ben Harris, said in London on Wednesday, as per a Reuters report.

Gubernatorial procrastination is unreasonable

A Bill passed by the State Assembly becomes law only after it is assented to by the Governor. The Governor being a part of the State legislature, the process of law making is complete only when he signs it, signifying his assent. In all democratic countries, similar provision exists in their constitutions. It may look a bit strange that the law-making body does not have the final say in the process of law making and the Bill it passes gets transformed into law only when the Governor assents to it. Thus, the Governor's assent becomes the most crucial act in the whole law-making process.

The examples of Kerala and Tamil Nadu

But the Governor's assent has, of late, become a controversial issue in at least two States – Kerala and Tamil Nadu. In Tamil Nadu, the Governor forwarded the Bill for exemption from the National Eligibility cum Entrance Test (NEET) to the President after considerable delay. In Kerala the situation has become a bit curious with the Governor publicly announcing that he would not give assent to the Lokayukta Amendment Bill and the Kerala University Amendment Bill. Such actions by Governors throw the legislative programmes of governments out of gear because of the uncertainty surrounding the assent. Therefore, the question of whether a Governor is permitted by the Constitution to cause uncertainty in the matter of giving assent to the Bills passed by State legislatures assumes great importance.

Article 200 of the Constitution provides certain options for the Governor to exercise when a Bill reaches him from the Assembly. He may give assent or he can send it back to the Assembly requesting it to reconsider some provisions of the Bill, or the Bill itself. In this case, if the Assembly passes the Bill without making any change and sends it back to the Governor, he will have to give assent to it. This provision contained in Article 200 (*proviso*) unambiguously affirms the primacy



P.D.T. Achary

is former Secretary General, Lok Sabha

When Article 200 of the Constitution is clear about providing certain options for the Governor to exercise when a Bill reaches him from the Assembly, he is required to effect one of the options mentioned

of the legislature in the legislative exercise. The third option is to reserve the Bill for the consideration of the President. The provision concerned makes it clear that a Bill can be reserved for the consideration of the President only if the Governor forms an opinion that the Bill would endanger the position of the High Court by whittling away its powers. The Constitution does not mention any other type of Bill which is required to be reserved for the consideration of the President. Nevertheless, the courts have conceded a certain discretion to the Governors in the matter of sending Bills to the President. The fourth option, of course, is to withhold the assent. But it is not normally done by any Governor because it would be an extremely unpopular action. The legislature reflects the will of the people and is the constitutionally designated body to make laws. If the Governor who does not reflect in any way the aspirations of the people of the State refuses assent, and thereby defeats the legislative programme of the elected government, it would be against the spirit of the Constitution. The fact that the Constitution does not mention the grounds on which a Governor may withhold assent to a Bill shows that this power should be exercised by the Governor extremely sparingly and after very careful consideration of the consequences of such action.

Practices overseas

In this context it would be useful to examine the practice in the United Kingdom. There too royal assent is necessary for a Bill to be passed by Parliament to become law and the crown has the power to withhold assent. But it is a dead letter. By practice and usage there is no power of veto exercised by the crown in England now. Moreover, refusal of royal assent on the ground that the monarchy strongly disapproves of the Bill or that the Bill is very controversial is treated as unconstitutional. In the United States, the President is empowered by the Constitution to refuse assent and return a Bill to the House but if the Houses again pass it with two thirds of each House the Bill becomes law.

The lesson to be drawn from these practices is that refusal of assent is a practice which is not followed in other democratic countries. And in some contexts, it is unconstitutional or the Constitution itself provides a remedy so that the Bill passed by the legislature could become law even after the refusal of assent.

The Indian Constitution, however, does not provide any such remedy. The courts too have more or less accepted the position that if the

Governor withholds assent, the Bill will go. Thus, the whole legislative exercise will become fruitless. It does not square with the best practices in old and mature democracies.

Issue of challenge

In this context, a legitimate question that arises is whether the government of a State can challenge the refusal of assent by the Governor in a court of law. Article 361 of the Constitution prohibits the court from initiating proceedings against a Governor or the President for any act done in exercise of their powers. They enjoy complete immunity from court proceedings. It is in fact a unique situation where a government is placed in a situation of having to challenge a Governor's action of withholding assent to a Bill. It may be noted that the Governor while declaring that he withholds assent will have to disclose the reason for such refusal. Being a high constitutional authority, the Governor cannot act in an arbitrary manner and, therefore, will have to give reasons for refusing to give assent. If the grounds for refusal disclose *mala fide* or *extraneous considerations* or *ultra vires*, the Governor's action of refusal could be struck down as unconstitutional. This point has been settled by a Constitution bench of the Supreme Court in *Rameshwar Prasad and Ors. vs Union Of India and Anr.* The Court held: "the immunity granted by Article 361(1) does not, however, take away the power of the Court to examine the validity of the action including on the ground of malafides".

Of course, the court will not be able to direct the Governor to act in a particular way. Invalidation of the refusal to give assent to a Bill on the ground of *mala fide*, etc. leaves such other options to him to exercise – as mentioned in Article 200.

It is claimed that since the Constitution does not fix any timeline for the Governor to decide the question of assent, he can wait for any length of time without doing anything. This is illogical and militates against the constitutional scheme in respect of law making by the legislatures. Not fixing any time line does not and cannot mean that the Governor can indefinitely sit on the Bill that has been passed by an Assembly. Article 200 does not contain such an option. The Governor is required to exercise one of the options mentioned in that Article. We must understand the purpose of giving options is for the authorities to exercise one of them and not to do something which is not an option at all. All constitutional authorities are required to act in a reasonable manner. Unreasonable acts are unsustainable in law.



CH. VIJAYA BHASKAR

Centre awaits Cong. nomination to notify two House panels

The Hindu Bureau
NEW DELHI

On Tuesday, in a rejig of parliamentary standing committees, the BJP and its allies retained control of the key panels on Finance, External Affairs, Defence and Home, but the composition of the Commerce and Chemicals and Fertilizers panels was not notified.

According to sources, the Central government offered the chairmanship of the two committees to the Congress, which is yet to name its MPs to head the panels.

The government, sources said, conveyed to the Congress nearly a month ago that the party would not get the panel on Home, till now headed by its Rajya Sabha member Abhishek Manu Singhvi, and one on information technology, headed by Lok Sabha member Shashi Tharoor.

“We will wait for a rea-

Parliamentary panels on Chemicals and Fertilizers and Commerce were offered to the party

sonable amount of time for the Congress to forward the names of heads for these two committees. If they fail to do so, we will be forced to hand over the chairmanship of these committees to the other parties,” a senior official at the Parliamentary Affairs Ministry said.

The Congress has already registered a strong protest with Lok Sabha Speaker Om Birla and Leader of the House in the Rajya Sabha Piyush Goyal.

In the reshuffle, the DMK has gained one standing committee and will now be heading the panel on Industry, which was till now with the Telangana Rashtra Samithi.

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The criterion for SC status

Why are Dalit Christians and Dalit Muslims excluded from the Constitution (Scheduled Castes) Order of 1950? On what basis were Dalit Sikhs and Dalit Buddhists added to the Order in 1956 and 1990 respectively?

EXPLAINER

Abhinav Lakshman

The story so far:

The Supreme Court of India has sought the most recent position of the Union government on a batch of petitions challenging the Constitution (Scheduled Castes) Order of 1950, which allows only members of Hindu, Sikh and Buddhist religions to be recognised as SCs.

Who all are included in the Constitution Order of 1950?

When enacted, the Constitution (Scheduled Castes) Order of 1950, initially provided for recognising only Hindus as SCs, to address the social disability arising out of the practice of untouchability. The Order was amended in 1956 to include Dalits who had converted to Sikhism and once more in 1990 to include Dalits who had converted to Buddhism. Both amendments were aided by the reports of the Kaka Kalelkar Commission in 1955 and the High Powered Panel (HPP) on Minorities, Scheduled Castes and Scheduled Tribes in 1983 respectively. On the other hand, the Union government in 2019 rejected the possibility of including Dalit Christians as members of SCs, rooting the exclusion on an Imperial Order of 1936 of the then colonial government, which had first classified a list of the Depressed Classes and specifically excluded "Indian Christians" from it.

Why are Dalit Christians excluded?

Ever since the amendment to include Sikhs as SCs in 1956, the Office of the Registrar General of India (RGI) has been reluctant in expanding the ambit of the Order beyond members of Hinduism or Sikhism. Responding to the Ministry of Home Affairs's (MHA) 1978 request for an opinion on the inclusion of Dalit Buddhists and Christians, the RGI had cautioned the government that SC status is meant for communities suffering from social disabilities arising out of the practice of untouchability, which it noted was prevalent in Hindu



Toward representation: Dalit Christians staging a protest in Dindigul, Tamil Nadu, on August 9 seeking inclusion in the Scheduled Castes list. KARTHIKEYAN G

and Sikh communities. It also noted that such a move would significantly swell the population of SCs across the country. However, the amendment to include Buddhist converts as SCs was passed in 1990, which at the time did not require the approval of the RGI – a mandate introduced in the rules for inclusion framed in 1999. In 2001, when the RGI again opined against including Dalit Christians and Muslims as SCs, it referred to its 1978 note and added that like Dalit Buddhists, Dalits who converted to Islam or Christianity belonged to different sets of caste groups and not just one, as a result of which they cannot be categorised as a "single ethnic group", which is required by Clause (2) of Article 341 for inclusion. Moreover, the RGI opined that since the practice of "untouchability" was a feature of Hindu religion and its branches, allowing the inclusion of Dalit Muslims and Dalit Christians as SCs could result in being "misunderstood internationally" as India trying to "impose its caste system"

upon Christians and Muslims. The 2001 note also stated that Christians and Muslims of Dalit origin had lost their caste identity by way of their conversion and that in their new religious community, the practice of untouchability is not prevalent.

Is there a case for inclusion?

The petitions arguing for inclusion have cited several independent Commission reports that have documented the existence of caste and caste inequalities among Indian Christians and Indian Muslims, noting that even after conversion, members who were originally from SCs continued to experience the same social disabilities. This was substantiated in the First Backward Classes Commission's report in 1953, the Report of the Committee on Untouchability Economic and Educational Development Of the Scheduled Castes in 1969, the HPP report on SCs, STs, and Minorities in 1983, the Mandal Commission Report, the report of the Prime Minister's High-

Level Committee formed in 2006, a 2008 study conducted by the National Commission for Minorities, the Ranganath Misra Commission Report and several other studies. In addition to this, the petitions have argued against the proposition that caste identity is lost upon conversion, noting that even in Sikhism and Buddhism, casteism is not present and yet they have been included as SCs. Furthermore, the above-mentioned reports argue that caste-based discrimination continues even after conversion, hence entitling these communities to SC status. However, the Union government refuses to accept the reports of the Commissions on the basis that these reports do not have enough empirical evidence to support their claims. Advocate Franklin Ceasar Thomas, who represents some Dalit Christian bodies, said that, "Such empirical evidence did not exist for including Sikh or Buddhist converts either and yet they were included as SCs in 1956 and 1990 respectively."

THE GIST

The Supreme Court of India has sought the most recent position of the Union government on a batch of petitions challenging the Constitution (Scheduled Castes) Order of 1950, which allows only members of Hindu, Sikh and Buddhist religions to be recognised as Scheduled Castes.

The Union government in 2019 rejected the possibility of including Dalit Christians as members of SCs rooting the exclusion on an Imperial Order of 1936 of the then colonial government, which had first classified a list of the Depressed Classes and specifically excluded "Indian Christians" from it.

Even though several independent Commission reports have documented the existence of caste and caste inequalities among Indian Christians and Indian Muslims, the Union government refuses to accept these reports on the basis that they do not have enough empirical evidence to support their claims.

CBIC mulls more obligations for undervaluing imports

The Hindu Bureau

NEW DELHI

Importers found to be under-declaring the value of shipments will face additional obligations for at least one year and no more than two years, for first instances of such violations, the Central Board of Indirect Taxes and Customs (CBIC) has proposed.

Following through on an announcement in this year's Budget, the Board also proposed a mid-term



review of such obligations during this period, so as to determine if the extra burden on importers may be lifted earlier or extended further. To address undervaluation, this year's Fi-

nance Bill introduced amendments to the Customs Act of 1962 to empower the CBIC accordingly.

As per draft rules issued on Tuesday, on which the CBIC has sought feedback till October 14, the Board shall identify goods for such probes based on 'a written reference made to it electronically by any person having reason to believe that the value of any class of imported goods... may not be declared truthfully or accurately'.

What is the Insolvency and Bankruptcy Code?

Why did Union Finance Minister Nirmala Sitharaman say that the IBC is losing its sheen? Is the IBC able to keep companies afloat by resolutions through re-structuring and mergers?

Diksha Munjal

The story so far:

Speaking at the sixth anniversary of the Insolvency and Bankruptcy Board of India (IBBI) on October 1, Union Finance Minister Nirmala Sitharaman said that the country could not afford to lose the “sheen” of its insolvency law, the Insolvency and Bankruptcy Code (IBC). Addressing the issue of haircuts – or the debt that banks forgo – she said it was unacceptable that banks should take a hefty haircut on loans that go through the resolution process.

What is the IBC?

In a growing economy, a healthy credit flow and generation of new capital are essential, and when a company or business turns insolvent or “sick”, it begins to default on its loans. In order for

credit to not get stuck in the system or turn into bad loans, it is important that banks or creditors are able to recover as much as possible from the defaulter, as quickly as they can.

In 2016, at a time when India’s Non-Performing Assets and debt defaults were piling up, and older loan recovery mechanisms were performing badly, the IBC was introduced to overhaul the corporate distress resolution regime in India and consolidate previously available laws to create a time-bound mechanism with a creditor-in-control model as opposed to the debtor-in-possession system. When insolvency is triggered under the IBC, there can be just two outcomes: resolution or liquidation.

What are the challenges for the IBC?

According to its regulator IBBI, the first objective of the IBC is resolution – finding

a way to save a business through restructuring, change in ownership, mergers etc. The second objective is to maximise the value of assets of the corporate debtor while the third is to promote entrepreneurship, availability of credit, and balancing of interests. Keeping this order in mind, when one looks at the IBBI data for the 3,400 cases admitted under the IBC in the last six years, more than 50% of the cases ended in liquidation, and only 14% could find a proper resolution. Furthermore, the IBC was touted as a time-bound mechanism. Timeliness is key here so that the viability of the business or the value of its assets does not deteriorate further. The IBC was thus initially given a 180-day deadline to complete the resolution process, with a permitted 90-day extension. It was later amended to make the total timeline for completion 330 days – which is almost a

year. However, in FY22, it took 772 days to resolve cases involving companies that owed more than ₹1,000 crore. The average number of days it took to resolve such cases increased rapidly over the past five years, experts said. When we come to haircuts – the debt foregone by the lender as a share of the outstanding claim – the Parliamentary Standing Committee on Finance pointed out in 2021, that in the five years of the IBC, creditors on an average had to bear an 80% haircut in more than 70% of the cases. As per *The Hindu* Data Team, in close to 33 of 85 companies so far that owed more than ₹1,000 crore, lenders had to take above 90% haircuts. In case of the resolution of the Videocon Group for instance, creditors bore a haircut of 95.3%.

What are experts saying?

In order to address the delays, the Parliamentary Standing Committee suggested that the time taken to admit the insolvency application and transfer control of the company to a resolution process, should not be more than 30 days after filing. The IBBI has also called for a new yardstick to measure haircuts. It suggested that haircuts not be looked at as the difference between the creditor’s claims and the actual amount realised but as the difference between what the company brings along when it enters IBC and the value realised.

THE GIST

On October 1, Union Finance Minister Nirmala Sitharaman said that the country could not afford to lose the “sheen” of its insolvency law, the Insolvency and Bankruptcy Code (IBC).

The IBC was introduced in 2016 to consolidate previously available laws to create a time-bound mechanism with a creditor-in-control model as opposed to the debtor-in-possession system. When insolvency is triggered under the IBC, there can be just two outcomes: resolution or liquidation, with the former being the preferred solution.

However, when one looks at official data for the 3,400 cases admitted under the IBC in the last six years, more than 50% of the cases ended in liquidation, and only 14% could find a proper resolution.

WTO warns 'darkened' trade outlook could deteriorate further

Reuters

GENEVA

The World Trade Organization (WTO) forecast a slowdown of global trade growth next year as sharply higher energy and food prices and rising interest rates curb import demand, and warned of a possible contraction if the war in Ukraine worsens.

The trade body said on Wednesday that merchandise trade would increase by 3.5% this year, up from its April estimate of 3%. However, for 2023, it sees trade growth of just 1%, compared with a previous forecast of 3.4%.

The WTO said there was high uncertainty over its forecasts. It provided a band of trade growth expansion of 2% to 4.9% for this year and of -2.8% to 4.6% for 2023.

"The picture for 2023 has darkened considerably," WTO director-general Ngozi Okonjo-Iweala told a news conference, adding risks for the forecast were more on the downside.

"If the war in Ukraine worsens, rather than gets better, that's going to have a huge impact," she said.

Weather events hitting food-producing regions or damaging energy export infrastructure could further hit trade, along with weakness in China, where COVID-19 outbreaks have disrupted production.

She said the world needed a more diversified base for production of goods



and services, which should boost growth, increase resilience and promote long-term price stability by mitigating exposure to extreme weather events.

Warns against curbs

She also warned against the resorting to trade restrictions, saying curbs imposed by various countries on food and fertiliser exports had dropped from 57 to 42 in the past month, but then rose back to 53 due to new measures.

"These would only deepen inflationary pressures and reduce living standards and would likely make us more rather than less vulnerable to the crisis we are grappling with."

The WTO's forecast does not cover services, but the WTO said tourist arrivals were likely to fall after tripling in the first seven months of 2022.

Lower shipping rates, the global body said, might have been greeted before as a sign of supply chains improvements, but was probably more the result of cooling demand.

Centre raises credit limit under ECLGS for airlines to 100% of debt up to ₹1,500 cr.

Exchange rate volatility, high fuel prices have weighed on aviation; recessionary fears in key economies of the world have added pressure on the sector, says Assocham's Deepak Sood

Special Correspondent
NEW DELHI

The Ministry of Finance has raised the credit limit for airlines under the Emergency Credit Line Guarantee Scheme (ECLGS), making them eligible for a sum equivalent to 100% of their outstanding debt, up to a maximum of ₹1,500 crore.

Earlier, airlines were eligible to borrow up to 50% of their credit outstanding up to ₹400 crore. This is the second time the government has liberalised the scheme for the aviation



Easing a little: Earlier, airlines were eligible to borrow as much as 50% of their credit outstanding up to ₹400 crore. VELANKANNI RAJ B

sector. The scheme introduced for medium and small enterprises during the outbreak of the COVID-19 pandemic was extended till March 2023 and

its guarantee cover expanded by ₹50,000 crore to ₹5 lakh crore.

SpiceJet, which has raised more than ₹300 crore under the scheme

and is looking at several options to raise more funds, welcomed the government's decision. "This will provide a tremendous boost for airlines," the airline's CMD Ajay Singh said in a statement.

Deepak Sood, Secretary General of the Associated Chambers of Commerce and Industry of India, said: "Given the volatility in foreign exchange rates, high fuel prices and the recessionary fears in some of the key economies of the world, the aviation sector continues to remain under extreme pressure."

Exhuming new light

Pääbo's Nobel win should inspire
biologists to shun academic straitjacket

The Nobel Prize for Medicine this year will be awarded to Svante Pääbo, a Swedish geneticist and a director of the Max Planck Institute for Evolutionary Anthropology in Leipzig, Germany. Science being of an increasingly collaborative and competitive nature, recent trends in Nobel Prizes suggest that there are usually multiple winners for every prize. It is a tribute to the originality and revolutionary implications of Pääbo's research that in a world perennially reshaped by advances in biology, he has been chosen as the lone winner of the Medicine or Physiology Prize this year – something not witnessed since 2016. Pääbo, 67, has quietly instigated a Copernican revolution. Much like the latter placed the sun at the centre and demoted the earth to another circumscribed, perambulatory planet, Pääbo brought Neanderthals – believed to be among the many human-like species and losers of the evolutionary race – to the centre on the question of human evolution. Thanks to his work, it is now known that Europeans and Asians carry anywhere between 1%-4% of Neanderthal DNA. Thus, a large fraction of humanity will be influenced in terms of propensity to disease and adaptability to conditions by a species that evolved, like humans, in Africa, but 1,00,000 years earlier. Pääbo demonstrated this by pioneering and perfecting techniques to extract DNA from fossil remains, a herculean task as they contain too little and are easily contaminated. By building on these methods, Pääbo and his colleagues eventually published the first Neanderthal genome sequence in 2010. To put that in perspective, the first complete sequence of the human genome was only completed in 2003. Comparative analyses with the human genome demonstrated that the most recent common ancestor of Neanderthals and *Homo sapiens* lived around 8,00,000 years ago; that both species frequently lived in proximity and interbred to an extent that the Neanderthal genetic stamp lives on.

In 2008, a 40,000-year-old fragment from a finger bone yielded DNA that, in Pääbo's lab, turned out to be from an entirely new species of hominin called Denisova. This was the first time that a new species had been discovered based on DNA analysis. Further analysis showed that it too had interbred with humans and 6% of human genomes in parts of South East Asia are of Denisovan ancestry. These discoveries throw up philosophical questions on what it means to be a 'species'. Pääbo's win must inspire future biologists in India to pursue deep questions and use science to shed new light rather than compartmentalise themselves in an academic straitjacket.

Nobel for work on ‘click chemistry’ and quantum mechanics

And the winners are...

A look at the pair of scientist trios who won the Nobel prizes in Chemistry and Physics

Chemistry



Carolyn R. Bertozzi Morten Meldal K. Barry Sharpless

Physics



John F. Clauser Alain Aspect Anton Zeilinger

Reuters

STOCKHOLM

Scientists Carolyn R. Bertozzi, Morten Meldal and K. Barry Sharpless won the 2022 Nobel Prize in Chemistry on Wednesday for discovering reactions that let molecules snap together to create desired compounds and that offer insight into cell biology.

It came a day after Alain Aspect, John F. Clauser and Anton Zeilinger won the prize in physics for their

advances in quantum mechanics on the behaviour of subatomic particles, opening the door to work on super computers and encrypted communication.

Americans Ms. Bertozzi and Mr. Sharpless, together with Denmark’s Mr. Meldal, were honoured “for the development of click chemistry and bioorthogonal chemistry”.

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Calamity-prone — urban India's worrying storyline

The recent floods in Bengaluru have paralysed the city's tech spine. The point has been driven home with viral images of some of the city's most influential people being rescued by tractor and lavish villas under water. Unfortunately, pictures of adverse weather phenomena bringing a city to its knees are becoming increasingly common in India, with the urban authorities concerned finding themselves woefully unprepared every time a new disaster hits.

Similar scenes have played out in Delhi (2013, 2021), Mumbai (2005, 2017), Chennai (2015, 2021), and Hyderabad (2020), leaving behind extensive losses to property and life. In terms of damages, Mumbai reportedly lost ₹14,000 crore between 2005 and 2015 while the figure for Chennai was an estimated ₹15,000 crore in 2015 alone. Added to this are the social and human costs, which almost always disproportionately affect the poorer sections of society as they tend to live in the more environmentally vulnerable areas. Even in the case of Bengaluru, while the media primarily focused on the disruption caused to the Information Technology industry, several informal settlements were also destroyed.

Piecemeal solutions, old masterplans

These events are usually met with a slew of knee-jerk reactions and politically motivated accusations. More often than not, river/drain cleanup measures, anti-encroachment drives, and stormwater network projects are proposed by the administrators concerned to appease the public and the media.

A ₹900 crore project was announced in November 2021 by the Karnataka government after flooding in Bengaluru last year. Now, after the recent floods, the municipality has ordered an anti-encroachment drive. While these



Venkat Javagopi

is with Young Leaders for Active Citizenship (YLAC)



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To treat the Bengaluru floods as an isolated case would be an urban planning mistake as every key city is in need of a comprehensive climate action plan

measures are not unhelpful, they are at best piecemeal solutions to systemic problems stemming from a lack of climate consciousness in the planning process. Unfortunately, the dearth of climate mitigation measures in urban planning and the uncontrolled urban sprawl only make the next calamity more likely.

Bengaluru has not had a master plan to control its development since 2015 and is unlikely to get a new one before 2025. Across India, 65% of urban settlements do not have a master plan. Where these exist, they usually do not address issues of environmental protection or talk of climate change mitigation. Despite the lack of capacity and bandwidth in State governments to undertake this exercise (report by NITI Aayog in 2021), powers to prepare master plans remain with State governments, with city governments reduced to 'stakeholders' without much authority. While some city administrations have developed drainage/flood mitigation plans, these do not have the statutory backing such as a master plan.

The Drainage Master Plan for Delhi was drafted 46 years ago, in 1976, and a new plan is only just being implemented. In the case of Bengaluru, the drainage lines, as per the 2015 Master Plan, vary significantly from the drains mapped by the municipality. The responsibility of maintaining these and the lakes are split among at least 12 agencies/departments at the State and city level. It is no wonder then that city planning and administration have become a nightmare.

Flaws in action plans

Over the last few years, city administrations such as Mumbai, Ahmedabad, and Nagpur (among others) have begun adopting climate action plans. The Mumbai plan is particularly ambitious, covering all aspects of the city's environment –

from flooding to air pollution – and aligns itself with the larger national goal of net-zero emissions. However, as the plan lacks any statutory backing, it does not prescribe any regulatory controls and comes across as a series of recommended measures that can be adopted by the authorities/citizens. This crucial flaw is likely to render it toothless. Finally, these plans are usually an expert-driven endeavour, without the critical element of public participation. This further reduces the plan's credibility. The lack of civic consultations also results in a greater focus on proposals such as the removal of encroachments – which disproportionately affect the poor – instead of a focus on other mitigation measures that can be adopted.

Processes need to be institutionalised

What is needed is the creation of a comprehensive climate action plan for all key Indian cities and to give these plans statutory backing by bringing them within the ambit of the city's master plan. This would also institutionalise processes such as public consultations within the plan preparation process. Beyond giving it the credibility to withstand administrative and political opposition, consultations will be effective in highlighting issues of underserved neighbourhoods – which are often overlooked in media narratives and by decision-making bodies.

Further, there is a need for an environmental protection agency to proactively tackle issues related to climate change. To make coordinated action possible, this agency would need to be devised as an overarching body along the lines of the unified transportation authority formed by different cities. Unless we address India's urban planning issues on a priority, the country's uncontrolled urban sprawl will only make the next calamity more likely. And more catastrophic.

Calamity-prone — urban India's worrying storyline

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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 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.