# Personal Data Protection Bill

TROTES





### VEDHIK DAILY NEWS ANALYSIS

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#### **FOREWORD**

We, at Team Vedhik is happy to introduce a new initiative - "Vedhik - Daily News Analysis (DNA)\_The Hindu" compilations to help you with UPSC Civil Services Examination preparation. We believe this initiative - "Vedhik - Daily News Analysis (DNA)\_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.



#### **CONTENTS**

- GSP 01 C News Lachit's life is a lesson that nation is supreme, not dynasty, says

  PM
- GSP 01 D News Assam border firing is a clear violation of human rights, says Meghalaya
- GSP 02 A Editorials A deeper message
- GSP 02 A News Russia offers advanced fuel option for Kudankulam plant
- GSP 02 E Editorials The Constitution of India deserves better
- GSP 02 O Editorials New draft of Data Protection Bill is fundamentally flawed
- GSP 02 O News Govt. forms panel to look into MGNREGA's efficacy Part I
- GSP 02 O News Govt. forms panel to look into MGNREGA's efficacy Part II
- GSP 03 A News Centre likely to rationalise long-term capital gains tax structure
- GSP 03 A News India, UAE central banks discuss rupee, dirham trade
- GSP 03 A News IRDAI allows PE funds to invest directly in insurers
- GSP 03 A News SEBI includes buying, selling of MFs under insider trading rules
- GSP 03 A News States ask Centre to rein in reliance on surcharges, cess while raising revenue Part I
- GSP 03 A News States ask Centre to rein in reliance on surcharges, cess while raising revenue Part II
- GSP 03 P Editorials COP27 and the ambiguity about responsibility



# Lachit's life is a lesson that nation is supreme, not dynasty, says PM

#### Jatin Anand

NEW DELHI

Lachit Borphukan's bravery underlines the identity of Assam and his life was a lesson that neither nepotism nor dynastic politics, but the nation was supreme, Prime Minister Narendra Modi said at the closing ceremony of yearlong celebrations commemorating the 400th birth anniversary of the 16th century Assam general here on Friday.

The history of India, which was "written as a conspiracy" during slavery was not just about subjugation by "tyrannical rulers" who invaded it, but countless stories of victories over this tyranny following long periods of repression by them, he added.



PM Modi with a Lachit Borphukan statue in New Delhi. R. V. MOORTHY

"I bow to the hallowed land of Assam that gave us heroes like Lachit Borphukan. He played a pivotal role in preserving the culture of Assam. His bravery and fearlessness is the identity of Assam," he said.

In an apparent dig at the Congress, he also spoke of Lachit Borphukan's life as providing inspiration for holding the nation above "nepotism and dynasty."

COURTESY THE HINDU

## Assam border firing is a clear violation of human rights, says Meghalaya

It moves NHRC to ensure action against those who killed six persons; Assam Police maintain travel advisory in view of the volatile situation in neighbouring State; fuel supply resumes to Meghalaya

The Hindu Bureau

**GUWAHATI** 

eghalaya Chief Minister Conrad K. Sangma on Friday asked the National Human Rights Commission (NHRC) to ensure action against those who killed six persons on his State's border with Assam on November 22.

While a high-level team met NHRC chairperson Arun Kumar Mishra in New Delhi, State capital Shillong was shut down by pressure groups to protest against the killings and demand the handing over of the Assam shooters to Meghalaya for trial.

Friday also saw the Assam Police continue to issue informal advisory to people not to travel to Meghalaya in view of the volatile situation, while an Assam-based fuel transporters' organisation resumed services to the eastern part of Meghalaya. More than



**Assuring support:** Meghalaya Chief Minister Conrad Sangma with family members of those killed in the Mukroh incident. PTI

40 oil tankers reached Shillong and other parts of Meghalaya to ease tension in the hill State.

Mr. Sangma and his team apprised the NHRC chairperson of the situation along the Assam-Meghalaya border and presented a detailed account of the firing incident that claimed the lives of five Meghalaya villagers and a forest guard from Assam.

While Meghalaya claims the villagers were from Mukroh in West Jaintia Hills district, Assam says the village is Mukhrow in West Karbi Anglong district.

"The firing incident was a clear violation of human rights by the Assam Police and the Assam forest guards. A Central agency will inquiry into the matter," Mr. Sangma said in a video message after the meeting. Seeking the NHRC's support, he stressed the need for the sensitisation of forces posted in sensitive border areas to prevent such incidents.

The anger in parts of

Meghalaya, triggered by the shooting, has refused to die down. On Friday, five pressure groups including the Khasi Students' Union observed their 'noncooperation day' by forcing all shops, offices and financial institutions to close down. The pressure groups have called for a rally on Saturday.

#### Bihar man attacked

There were a few stray incidents of violence over the past 24 hours, masked men attacking people on the streets, mostly non-tribal. Among the victims was Alok Kumar, a hearing-impaired official from Bihar. Posted as an Audit, CGST and Customs inspector in Guwahati, he was in Shillong for a twoweek training at the National Academy of Customs, Indirect Taxes and Narcotics for promotion to Superintendent. He was shifted to a private hospital in Guwahati on Friday.



#### A deeper message

<u>Unexpected showing by newcomers</u> in Nepal's elections is a call for change

t face value, the outcome of Nepal's general election was, expectedly, favourable to the ruling five-party alliance of the Nepali Congress, CPN (Maoist-Centre), CPN (Unified Socialist), Loktantrik Samajwadi Party, Nepal and Rastriya Janamorcha, which has won or established a lead in at least 87 of the 165 seats in the FPTP system and is tipped to win close to half of the 110 proportional representation seats. The coming together of the alliance is what helped it overcome the opposition coalition led by the K.P. Oli-helmed Communist Party of Nepal (Unified Marxist-Leninist) – it won or leads in 49 seats in the FPTP system while the UML is leading as the single largest party in terms of PR votes. But the mandate shows that the long-standing mainstream parties now have challengers – the largely urban-based newcomer Rashtriya Swatantra Party has a lead in or won eight seats while emerging as the third largest party in vote terms and also get a sizeable number of PR seats in the House of Representatives. Led by a former television personality, Rabi Lamichhane, the RSP has vague ideological views but a clear position against federalism, seeking to dissolve the provincial assemblies that were set up under the federalist constitution. Its performance points to the inability of mainstream parties to ensure stability or effect policies to lift the living standards of Nepalis in a country that sees much youth out-migration.

The election results have also been a blow to the Maoists and the Madhesi parties, which played a crucial role in the federalisation of republican Nepal. Their legacy in constitution-building did not help them overcome the fact that voters were tired of their opportunist political stances. While there is no threat to republicanism or secularism in Nepal, a more comprehensive federal agenda will have to ensure that provinces are sufficiently empowered or else the enthusiasm for federalism will wane further. The winning Nepali Congress will also have to look deeper into its electoral results which has been buoyed by the performance of its youth candidates. Led by veterans, the party must consider letting a younger leader (Gagan Thapa) take over. Unlike other south Asian democracies, Nepal's elections were marked by the absence, largely, of calls for voting on religious/sectarian basis, and delivered results true to the country's political diversity. Yet, a beleaguered Nepali citizenry that has waited for decades for democracy to unleash developmental outcomes deserves change: it is now up to the parties to provide that.

## Russia offers advanced fuel option for Kudankulam plant

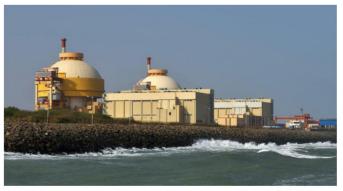
The new nuclear fuel is expected to bring in more efficiency and allow reactors to run for an extended two-year cycle without stopping; this will lead to sizeable savings in foreign exchange

#### <u>The Hindu Bureau</u>

TIRUNELVELI

he Russian stateowned nuclear energy corporation Rosatom has offered a more advanced fuel option to India's largest nuclear power station at Kudankulam, which will allow its reactors to run for an extended two-year cycle without stopping to load fresh fuel.

Rosatom's nuclear fuel division, TVEL Fuel Company, is the current supplier of TVS - 2 M fuel for the two VVER 1,000 MWe



TVEL's Research and Development Wing presented the new fuel technology at a recent conference in Hyderabad. FILE PHOTO

reactors generating power in the Kudankulam Nuclear Power Project (KKNPP). This fuel has an 18-month fuel cycle, meaning that the reactor has to be stopped for fresh fuel loading every one-and-ahalf years. TVEL has now offered the more modern Advanced Technology Fuel (ATF), whose fuel cycle is a whopping 24 months. Hence, it will ensure more efficiency, additional power generation due to prolonged operation of the reactor and sizeable savings of the foreign exchange needed to buy fresh fuel assemblies from Russia. At a recent conference in Hyderabad, the senior vice-president of TVEL's Research and Development Wing, Alexander Ugryumov, presented the new fuel technology to the Indian nuclear reactors, a Rosatom statement said.



#### The Constitution of India deserves better

he Constitution of India was adopted by the Constituent Assembly on November 26, 1949 for 'We the people of India'. After being unnoticed for long, the day began to be celebrated as Constitution Day since 2015. This day is indeed a historic day for the nation, with the framing of a Constitution for the governance of independent India.

But it is imperative to go beyond the celebrations and look at the substantive issues relating to the primary parchment of the nation. For example, if we pose a question about the level of awareness about the Constitution among 'we the people', the answer may not be encouraging. It is understandable if unlettered people are not aware of the Constitution. But the situation is not much different among the educated sections either, despite the fact that the Constitution is an integral part of our life.

The Constitution has a clear imprint on day-to-day life, though we may not be really conscious of it. If we ask a policeman why he is stopping us, it is because the Constitution has given us that right. The newspaper we read, the TV channels we watch; our travel by bus, train or in our own car every time; getting a passport and flying; taking up a profession we like; eating the food we relish in a restaurant; and buying fashionable outfits in malls - it is the Constitution which made this possible through fundamental rights. The freedom of movement, freedom of expression, freedom to choose a calling of our liking, freedom to buy, sell and carry-on any trade, freedom to wear garments of our choice; all these freedoms emanate from the Constitution in the form of fundamental rights. These freedoms were never available to us before we won independence from the British.

When we were on the verge of Independence, our freedom fighters wanted to make a clean break with the past and build a brave new society through the Constitution. Thus, the Constitution



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Celebrating
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declared with the stroke of a pen that all Indians are equal citizens irrespective of caste, creed, colour, gender, estate, education, etc. This is, indeed, heady stuff for a nation steeped in religion, rituals, ignorance and poverty which gave rise to unacceptable inequalities between men and women, the rich and the poor, the literate and the illiterate, and the learned and the laity. Setting aside all these aberrations, the Constitution put everyone on an even keel, even while providing a level playing field for the weak and the meek.

There is no denying the fact that the law is a weak source to bring about change in human thinking and behaviour. Just because the Constitution declared all Indians as equals, equality does not prevail from the day of such a declaration. But, if we inculcate it in our offspring, social change is distinctly possible. We all teach our children not to tell lies and not to steal. Cannot we teach them to treat their classmates without bias? And, that is what the Constitution says too. But, we are hardly conscious of the constitutional ideals enshrined

#### Explaining the indifference

How do we explain this indifference to the Constitution? We pay great respect to religious books and treat them as sacred doctrines, while we are oblivious to the Constitution which has changed our lives. It is unlikely that even those who are well educated and well-placed have a copy of the Constitution in their houses unless they are advocates. While educated people broadly know that there is a thing like fundamental rights, we are largely unaware of the fundamental duties enshrined in the Constitution. The Constitution is a holistic doctrine. Rights bring responsibilities with them. There is a chapter on Fundamental Duties in Part IVA of the Constitution.

But, how do we know the Constitution unless we have a copy and bother to open it even occasionally? Hardly any parent thinks of gifting the Constitution to their child in their birthday, while every parent wants their offspring to grow up as a responsible adult with mature minds and restrained manners. It is a vague ideal unless we inculcate values such as respect for women, empathy towards the weak and the meek, and reject dowry, caste and creed as the basis to measure the values of a person. And, where do we find these values? In the Constitution.

Article 15 says: "The state shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them." How beautiful this sentence would have read had "The state" been replaced by society. Has any parent thought along these lines while raising their child and teaching them good manners and values? The values we teach are essentially damaging to the mind, such as 'become a doctor or an engineer and get a hefty dowry'.

#### As part of the curriculum

Unfortunately, there is hardly any focus on the Constitution at the school level, not to speak of tertiary education. The Constitution should get due recognition across the educational system. Celebrating November 26 as Constitution Day is fine, but we should not restrict ourselves to symbolism. We should look at the substantive issues dealt with by the Constitution, thereby enriching our life.

Our ancient texts teach us that Vasudhaiva Kutumbakam, which means the entire humanity, is one large family. Every man is related to every other person. We should first learn to treat fellow Indians as a fraternity. We will know this only if we care to open the first page of the Constitution. For this we need a copy of the Constitution. And it costs less than a movie ticket these days.



#### 'New draft of Data Protection Bill is fundamentally flawed'

There is over-reliance on the rules to be framed by the government, without legislative guidance; this gives scope to arbitrariness and makes for constitutional invalidity of law, says retired SC judge

INTERVIEW

#### Justice B.N. Srikrishna

Sonam Saigal

he Digital Personal Data Protection Bill is loaded in favour of the government, says retired Supreme Court judge Justice B.N. Srikrishna, who had proposed the first draft of the Personal Data Protection Bill in 2018. The new Bill may encourage the executive to act capriciously and infringe on the fundamental right of privacy of personal data, he says. Edited excerpts:

#### What do you make of the new draft of the Data Protection Bill, the Digital Personal Data Protection Bill?

It has picked up some good points from the previous drafts but has worsened on some issues.

Can you please elaborate on what are the good points from the previous drafts and



how is it worse on some issues.

The simplicity of language and reduction in size are good points but one cannot forsake clarity of legislation for simplicity. Consent managers is a good idea and helpful to data principals. The Data Board is a creation of the executive with no guidelines on its composition, establishment, qualifications of its chair and members etc., and therefore it will be a captive of the government with little independence, if it is a regulator; if not, there is no regulator at all.

The Bill is loaded in favour of the government. All vital issues have been relegated to delegated legislation that can be constitutionally valid only if there are legislative guidelines within which the executive may frame subordinate legislation, or else, such a law will be invalid as permitting the executive to act arbitrarily will become unconstitutional and void. That is a danger very much lurking in the background of the Bill.

#### What would you say is needed in the current avatar?

A robust and independent regulator like the Data Protection Authority envisaged in the 2018 draft is needed. The qualifications, tenure and procedure of appointment have all been relegated to delegated legislation. It is worse than the previous 2019 Bill. The so-called regulator will be a puppet of the government and will have no independence.

#### Does the draft express any concern on protection of the fundamental right of data privacy?

There is power to exempt all government institutions

from any or all provisions of the law. That is a clear invitation to the executive to act arbitrarily. There is over-reliance on the rules to be framed by the government, without legislative guidance in the law. It gives scope to arbitrariness and makes for constitutional invalidity of the law. The Bill is replete with such instances. Eighteen out of 30 clauses leave the issue to the government "as may be prescribed".

Further, the triple test laid down by the Puttaswamy judgment (Supreme Court upheld right to informational privacy as a fundamental right) has been totally abandoned. The requirement of curtailing the privacy right of individual (a fundamental right as declared by the Supreme Court) only for 'necessity', 'reasonably' and 'proportionately' has been completely ignored. That is clearly contrary to the Supreme Court's declaration of the law in Puttaswamy. Therefore, the Bill is fundamentally flawed as it would permit the executive to act capriciously and infringe on the fundamental right of privacy of personal data.

## Govt. forms panel to look into MGNREGA's efficacy

Poorer States like Uttar Pradesh, Bihar haven't been able to use the scheme optimally to alleviate poverty, while economically better-off States like Kerala use it as an asset creation tool, say officials

Sobhana K. Nair NEW DELHI

he Central government has constituted a committee to review the implementation of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme, especially to assess the programme's efficacy as a poverty alleviation tool.

The committee, headed by former Rural Development secretary Amarjeet Sinha, had its first meeting on Monday, and has been given three months to submit its suggestions.

The Mahatma Gandhi National Rural Employment Guarantee Act was passed in 2005, and the scheme guarantees 100 days of unskilled work per year for every rural house-



**Many takers:** Over 15 crore active workers are presently enrolled in the rural job guarantee scheme. P.K. BADIGER

hold that wants it. Currently, 15.51 crore active workers are enrolled in the scheme.

The Sinha committee has now been tasked to study the various factors behind demand for MGNREGA work, expenditure trends and inter-State variations, and the composition of work. It will suggest what changes in focus and governance structures are required to make MGNREGA more effective.

"MGNREGA was launched as a poverty alleviation instrument for the rural region, providing them with a safety net in the form of guaranteed work and wages. It was felt that States like Uttar Pradesh and Bihar where there is higher level of poverty, haven't been able to utilise the scheme optimally," a senior official aware of the developments said.

In 2015, Prime Minister Narendra Modi had termed MGNREGA a "living monument of Congress government's failure". In a speech in Parliament, he had said: "After so many years in power, all you were able to deliver is for a poor man to dig ditches a few days a month." The scheme has also been criticised by economists like Jagdish Bhagwati and Arvind Panagariya as an "inefficient instrument of shifting income to the poor".

**CONTINUED ON** 

» PAGE 8

### Panel to look into MGNREGA's efficacy

The present committee will also look at the argument that the cost of providing work has also shot up since the scheme first started.

The committee has to review the reasons and recommend ways to bring in a greater focus on poorer areas. "An open-ended scheme such as this will always show sharp contrasts. Bihar, for example, despite its levels of poverty, does not generate enough work to make a concrete difference, and on the other end of spectrum we have Kerala, which is economically better but has been utilising it for asset creation. While Bihar needs MGNREGA more, we cannot deny Kerala the money because of the current structure of the programme," one of the committee members said.

#### Asset creation

MGNREGA critics also slam the scheme for the lack of tangible asset creation. The committee will study if the composition of work taken up presently under the scheme should be changed. It will review whether it should focus more on community-based assets or individual works.

With four months more to go for the financial year to end, ₹59,420 crore has already been spent out of the ₹73,000 crore sanctioned for the scheme. The Rural Development Ministry has recently asked for an additional sum of ₹25,000 crore from the Finance Ministry for the anticipated expenditure before the financial year ends.

Regardless of all the criticism, MGNREGA acted as a crucial safety net during the COVID pandemic. In the financial year 2020-21, the number of person days of work provided under the scheme rose drastically to 389 crore, in comparison to the previous year's figure of 265 crore. In 2021-22 too, the demand for MGNREGA work stood high, and 363 crore person days of work were generated. As per the current statistics, 196 crore person days of work have already been generated this year.

DAILY NEWS ANALYSIS

#### Centre likely to rationalise long-term capital gains tax structure

#### Press Trust of India

NEW DELHI

The Finance Ministry is looking at rationalising long-term capital gains (LTCG) tax structure by bringing parity between similar asset classes and revising the base year for computing indexation benefit to make it more relevant, an official said,

Currently, shares held for more than one year attract a 10% tax on LTCG.

Gains arising from the sale of immovable property and unlisted shares held for more than two years and debt instruments and jewellery held for more than three years attract 20% LTCG tax.

The revenue department is now looking at rationalising the tax rates as well as holding period for calculating long-term capital gains.

An announcement is likely in the 2023-24 Budget to be presented in Parliament on February 1.

"The whole effort is to make capital gains tax structure simple and taxpayer friendly and reduce compliance burden," the official told PTI.

"To bring simplicity, the assets class may be majorly divided into two limbs viz. movable assets and immovable assets, simultaneously defining a single timeline on the period of holding to consider gain/loss either short term or long term," said AMRG & Associates Director (Corporate & International Tax) Om Rajpurohit.



# India, UAE central banks discuss rupee, dirham trade

#### Press Trust of India

NEW DELHI

The central banks of India and the UAE are discussing a concept paper on promoting bilateral trade in rupee and dirham with a view to reducing transaction cost, India's Ambassador to the UAE Sunjay Sudhir said on Friday.

Mr. Sudhir said the concept paper for trade in local currencies was shared by India.

## IRDAI allows PE funds to invest directly in insurers

Insurance regulator introduces slew of proposals to improve ease-of-doing business, including allowing promoters to dilute up to 26% stake and raise subordinated debt sans approval

#### The Hindu Bureau

HYDERABAD

nsurance regulator IR-DAI has approved a bouquet of proposals, including permitting private equity funds to directly invest in insurers, in a bid to promote ease-of-doing business in the sector.

Other key proposals include allowing promoters to dilute up to 26% stake and dispensing with IRDAI approval for raising capital through subordinated debt and preference shares.

The regulator also green-lighted a proposal for increasing the limit on tie-ups for intermediaries.

Among company-specific proposals that the Insu-

#### Cover drive

Regulator eases investment, capital norms for insurance sector

- Solvency norms cut allowing access to additional ₹3,500 cr.
- Limit for raising capital enhanced to 50% of paid up capital and premium
- A corporate agent can tie up with
   9 insurers



 Insurance marketing firms can tie up with 6 insurers

rance Regulatory and Development Authority of India cleared at its board meeting were final approval to Go Digit General Insurance Company for listing; in-principle nod for IndiaFirst Life Insurance Company to list, and clea-

rance for Exide Life Insurance Company's merger with HDFC Life Insurance Company.

#### Access to capital

IRDAI also approved reduction in solvency norms for general and life insur-

ers, which is expected to provide them access to an additional ₹3,500 crore.

IRDAI said besides dispensing with a requirement of prior approval to raise subordinated debt and or preference shares, it was also approving an enhancement of the limits for raising such capital from 25% to 50% of paid up capital and premium, subject to 50% of net worth of company. It is expected to enable insurance companies to raise required capital in a timely manner.

For enabling better access to insurance, the number of tie ups for corporate agents and insurance marketing firms (IMF) was being increased, IRDAI said.



## SEBI includes buying, selling of MFs under insider trading rules

#### **Press Trust of India**

NEW DELHI

Capital markets regulator SEBI has amended norms to bring the buying and selling of mutual fund units under the ambit of insider trading rules.

"No insider shall trade in the units of a scheme of a mutual fund, when in possession of unpublished price sensitive information, which may have a material impact on the net asset value of a scheme or may have a material impact on the interest of the unit holders of the scheme," SEBI said in a notification on Thursday.

SEBI's decision follows the Franklin Templeton episode, in which a few fund executives were accused of redeeming holdings in the schemes ahead of the six debt schemes shutting for redemption.

The new norms became effective on November 24.



## States ask Centre to rein in reliance on surcharges, cess while raising revenue

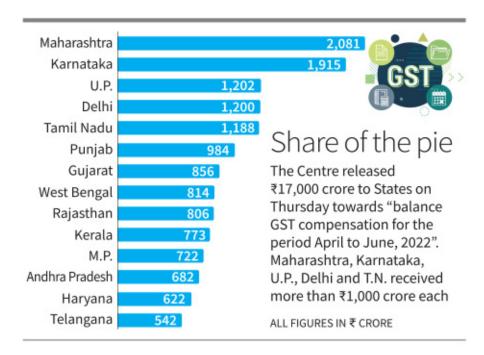
#### A.M. Jigeesh

NEW DELHI

Several States, including some governed by the BJP, on Friday urged the Centre to rein in its reliance on raising revenues through cesses and surcharges that reduce their share in the divisible pool of taxes.

They also sought greater fiscal support to help revive the economy and reiterated demands for extending the Goods and Services Tax (GST) compensation period.

These issues about the federal fiscal framework were flagged, along with States' local project wishlists, at a consultation meeting for the Union Budget of 2023-24, steered by Finance Minister Nirmala Sitharaman here and attended by Chief Ministers, Deputy CMs as well as Finance Ministers of States.



Tamil Nadu Finance Minister Palanivel Thiagarajan noted that the share of cesses and surcharges had grown from 10.4% of gross tax revenue in 2011-12 to 26.7% in 2021-22. "This has deprived the States of their legitimate share of revenue collected by the Union Government. I exhort the Union Government to merge the cesses and surcharges

into the basic rates of tax so that the States receive their legitimate share in devolution," he submitted.

His plea was echoed by other States, including Kerala's Finance Minister K.N. Balagopal, who told *The Hindu* that this was a question of federalism.

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» PAGE 8



#### States ask Centre to curb its cess habit

"The Centre has been increasing surcharges and cesses despite the Constitution setting conditions for its imposition. We have been raising this in various forums. But in this meeting, I was happy to note that several BJP-ruled States, including Assam, supported this argument," he said.

Hours after the meeting, where States like Tamil Nadu also raised concerns about pending dues from the five-year GST compensation window for States that expired on June 30 this year, the Finance Ministry said it had released ₹17,000 crore to States on Thursday towards the "balance GST compensation for the period April to June, 2022". "With this release, Centre has released, in advance, the entire amount of cess estimated to be collected this year till March-end available for payment of compensation to States. This decision was taken to assist the States in managing their resources and ensuring that their programmes especially the expenditure on capital is carried out successfully during the financial year," the Ministry said. On the parley with States, the Ministry said that most participants thanked the Union Finance Minister for financially supporting their States and Union Territories by enhancing borrowing limits, providing two advanced devolution instalments and through special assistance for capital expenditure.

Chhattisgarh Chief Miniter Bhupesh Baghel asked the Centre to resolve the issue of refunds of the corpus given to the National Pension Scheme, as the State has restored the old pension scheme. He said that ₹17,240 crore deposited with the National Securities Depository Limited till March 2022 should be returned so that it can be put in the General Provident Fund of the employees.

Mr. Balagopal, who also asked for the GST revenue share of States to be raised to 60% from the present 50%, said that States are going through severe financial problems, particularly after the GST rollout. "Now, if the revenues shared with States decrease (due to cesses), it would further harm our developmental and welfare activities," he emphasised.

#### Video conference

The Goods and Services Tax Council, which last met in June and was expected to meet again this August in Madurai, will now be convened on December 17 over a video-conference.

DAILY NEWS ANALYSIS

#### COP27 and the ambiguity about responsibility

his year, at COP27 in Egypt, a dizzying array of topics was on the table for discussion – from the more familiar emissions reductions to the more detailed rules to govern carbon markets. But of significance to developing countries, India included, are the stories to do with climate finance. As developing countries have rising energy needs and vulnerable populations, they need financial support for low-carbon transformations, building resilience to inevitable climate impacts, and other steep challenges, important among these being loss and damage (L and D) from climate-induced impacts. Possibly the biggest headline after COP27 was the establishment of a new L and D fund.

The main L and D agendas for developing

The main L and D agendas for developing countries since the Paris Agreement (2015) have been to change the existing narrative of averting L and D to addressing losses that have already occurred, and to start holding developed countries morally responsible and financially liable for the same.

Widespread droughts in Africa, floods in Pakistan, and wildfires globally were the prelude to this COP. Given these climate events are rampant, developing countries have been trying to separate L and D from adaptation. They argue that losses from these events have not and likely cannot be adapted to. And as scientists today are able to attribute these events to climate change, and derivatively, to greenhouse gas emissions, developing countries maintain that developed countries should inherit the resultant responsibility and liability.

L and D in ratified UN texts has mostly entailed prevention and pre-disaster preparation, thus conflating L and D with adaptation. This is in the interest of developed countries that do not want any new responsibilities. The decision text accompanying the Paris Agreement even took liability and compensation for L and D off the table – and developing countries were only able to get L and D on the COP27 agenda by once again foregoing conversation about liability.

The L and D burden and responsibility
Against this backdrop, the new L and D fund introduced at COP27 seems a narrative failure, save the distinction between adaptation and L and D. Following the recommendation of the G77+China, the text finally frames L and D as post-event "rehabilitation, recovery, and reconstruction". But it excludes mention of historic responsibility and the principle of Common but Differentiated Responsibilities (CBDR). What is more, there is no clear indication



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With the new Loss and Damage fund, the line between victim and perpetrator has been blurred that the fund will be paid for by developed countries. The decision explores a "mosaic" of solutions, encouraging a miscellany of actors to contribute, which might simply mean a slow shift of the L and D burden onto the private sector, and perhaps even to richer developing countries such as China.

The ambiguity about responsibility is in fact carefully phrased to dilute the notion that there are distinct victims and perpetrators in the case of L and D. Once liability and CBDR are removed from L and D – in essence, an adversarial notion to hold developed nations morally and financially accountable – it risks becoming toothless: more voluntary reward than recompense.

#### On climate finance

COP27 also focussed on avenues for increasing finance flows to support positive climate action in developing countries.

In 2009, developed countries had promised developing countries \$100 billion in climate finance annually by 2020, which still remains unmet. Developing countries expected this amount to come from public sources, though the sources were never clearly defined. And although it is a fraction of what developing countries need, it is an important symbol of trust. Much deliberation around finance has focused on assessing progress towards this goal, which developed countries now aim to meet by 2023. Lessons learned from this progress should also inform ongoing discussions around a new enhanced developed country target that is meant to replace this \$100 billion commitment by 2025. Meeting the current pledge and developing a meaningful new pledge - based on developing countries' needs - will be important trust-building exercises encouraging greater cooperation towards climate action.

With this track record, developing countries have been keen to maintain focus on developed country obligations. Consequently, there was no discussion on Article 2.1c of the Paris Agreement, which seeks to make all finance flows compatible with low-carbon development. Developing countries feared a dilution of attention to developed country obligations, while developed countries argue that this Article can play a transformative role in mobilising the trillions actually needed to respond to climate change. Consequently, this element of the finance agenda was deferred, but is likely to be raised next year. With a growing sign that developed country public finance will, in reality, fall very short of meeting developing country needs, COP27 also saw momentum build towards encouraging

finance through other channels.

Multilateral system and carbon markets For the first time, the COP27 decision text

included a call for reforming the global financial system, particularly multilateral development banks (MDBs), to make them more supportive of climate action. This, importantly, entreated MDBs to reduce the costs of borrowing for climate projects, increase finance for adaptation, and better align their operations with the Paris Agreement. In parallel, carbon markets emerged as more prominent vehicles for channelling private finance. In carbon markets, some entities sell credits by reducing their emissions below a threshold, while others buy these credits to offset emissions they are unable to reduce. Under Article 6 of the Paris Agreement, two types of markets will allow countries and companies to trade in emissions reductions. Although many questions regarding the design of these markets were addressed at COP26, discussions on unresolved issues raised concerns about whether

greenwashing.

Carbon markets are also increasingly featuring in just energy transition partnerships (JETP), which are emerging as avenues for developed countries to quickly channel finance to developing countries transitioning towards clean energy systems. As India explores such partnerships for its own energy transition, plans for using carbon credits to enable private investments raise similar risks about the sufficiency and predictability of finance; whether it can reach sectors that need more support, and whether this is an attempt by developed countries to effled expressibility.

these markets would be transparent, lead to

double-counting can open the door to

actual emissions reductions, and risk reductions

being counted twice – by the buyers and the sellers of credits. Such lack of transparency and

countries to offload responsibility. While developing countries at COP27 wanted to focus on the public finance that developed countries should provide, the finance conversation is becoming multi-stranded and spreading to arenas outside formal negotiating channels. India will need to carefully watch these trends, and what they might imply for amounts, sources, predictability, impacts, and equity.

With the new L and D fund, the line between victim and perpetrator has been blurred. But given that all the practical mechanisms of the fund are yet to be decided, it will be interesting to see if developing countries can, in future negotiations, redraw the lines of responsibility, and perhaps even liability.



General Studies Paper I  History of Indian culture will cover the salient aspects of art forms, literature and architecture from			
Α	ancient to modern times;		
В	Modern Indian history from about the middle of the eighteenth century until the present-significant events, personalities, issues;		
$\vdash$	Freedom struggle-its various stages and important contributors / contributions from different parts of		
С	the country;		
D	Post-independence consolidation and reorganization within the country;		
E	History of the world will include events from 18 <sup>th</sup> century such as industrial revolution, world wars, re-drawal of national boundaries, colonization, decolonization,		
F	Political philosophies like communism, capitalism, socialism etctheir forms and effect on the society		
G	Salient features of Indian Society, Diversity of India;		
Н	Effects of globalization on Indian society;		
-1	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;		
М	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);		
0	Factors responsible for the location of primary, secondary, and tertiary sector industries in various parts of the world (including India);		
Р	Population and associated issues;		
Q	Urbanization, their problems and their remedies		
	General Studies Paper II		
Α	India and its neighbourhood- relations;		
В	Important International institutions, agencies and fora- their structure, mandate;		
С	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.		
Е	Indian Constitution, historical underpinnings, evolution, features, amendments, significant provisions and basic structure;		
F	Comparison of the Indian Constitutional scheme with other countries;		
	Functions and responsibilities of the Union and the States, issues and challenges pertaining to the		
G	federal structure, devolution of powers and finances up to local levels and challenges therein; Inclusive growth and issues arising from it;		
Н	Parliament and State Legislatures - structure, functioning, conduct of business, powers & privileges and issues arising out of these;		
1	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;
К	Appointment to various Constitutional posts, powers, functions and responsibilities of various Constitutional bodies;
L	Statutory, regulatory and various quasi-judicial bodies;
М	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;
0	Important aspects of governance, transparency and accountability, e-governance- applications, models, successes, limitations, and potential;
Р	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;
Т	Issues relating to development and management of social sector / services relating to health
	General Studies Paper III
Α	Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment;
В	Effects of liberalization on the economy, changes in industrial policy and their effects on industrial growth;
С	Inclusive growth and issues arising from it;
D	Infrastructure Energy, Ports, Roads, Airports, Railways etc. Government budgeting;
Е	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;
Н	e-technology in the aid of farmers; Technology Missions; Economics of Animal-Rearing.
1	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;
М	Indigenization of technology and developing new technology;
N	Developments and their applications and effects in everyday life;
0	Issues relating to intellectual property rights
Р	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;



Т	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;
Х	Linkages between development and spread of extremism.
	General Studies Paper IV
Α	Ethics and Human Interface: Essence, determinants and consequences of Ethics in human actions;
В	Dimensions of ethics;
С	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.
Н	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.
- 1	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;
М	Laws, rules, regulations and conscience as
N	sources of ethical guidance;
0	Accountability and ethical governance; strengthening of ethical and moral values in governance;
	ethical issues in international relations and funding;
Р	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.
Т	Case Studies on above issues.

