



**VEDHIK**  
IAS ACADEMY

*The New Learning Mantra*



# VEDHIK

## DAILY NEWS ANALYSIS

08 - DEC - 2022

## 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 Haameed 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 02 B Editorials - BIMSTEC as key to a new South Asian regional order
- GSP 02 B News - Big industries don't observe uniform labour standards in India, says BMS at ILO meet
- GSP 02 B News - India will build consensus within G-20 on global issues Minister
- GSP 02 C Editorials - Ukraine-Russia war rages on as refugees pile up
- GSP 02 C News - ESMA row Das says Europe regulators need to trust India's credibility, strength
- GSP 02 E Editorials - The perils of undoing the framework of reservation
- GSP 02 K Editorials - The impasse over appointment of judges
- GSP 02 M News - Bill to amend law on cooperative societies introduced in LS
- GSP 02 M News - Reservation for Dalit converts SC to decide on hearing petitions
- GSP 03 A News - RBI goes slow on rates, limits increase to 35 bps Part I
- GSP 03 A News - RBI goes slow on rates, limits increase to 35 bps Part II
- GSP 03 A News - RBI tweak to UPI will help in e-com, share purchases Das
- GSP 03 L News - ISRO inks MoU to establish SpaceTech Innovation Network
- GSP 03 News - India will not tolerate any unilateral attempts to change LAC Jaishankar
- GSP 03 News - Plan to install 500 GW of renewable energy capacity by 2030 to cost ₹2.44 trillion



# BIMSTEC as key to a new South Asian regional order

December 8 is commemorated as SAARC Charter Day. It was on this day, 37 years ago, that the South Asian Association for Regional Cooperation (SAARC), an intergovernmental organisation, was established by Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka to promote economic growth in South Asia. Afghanistan acceded to SAARC later. However, SAARC has failed abjectly in accomplishing most of its objectives. South Asia continues to be an extremely poor and least integrated region in the world. The intraregional trade and investment in South Asia are very low when compared to other regions such as the Association of South East Asian Nations (ASEAN) and Sub-Saharan Africa.

Pakistan has adopted an obstructionist attitude within SAARC by repeatedly blocking several vital initiatives such as the motor vehicles agreement, aimed at bolstering regional connectivity. Deepening hostility between India and Pakistan has made matters worse. Since 2014, no SAARC summit has taken place leaving the organisation rudderless, and practically dead.

## Significance of regionalism

But why bother about SAARC? Because South Asia, that is India's neighbourhood, is important for India's national interests. This is best captured in the current government's 'neighbourhood first' policy. SAARC is the only intergovernmental organisation with a pan-South Asia reach. India can judiciously employ it to serve its interests in the entire region. But India, in the last few years, has been looking at SAARC through the lens of Pakistan. Consequently, the deterioration in India-Pakistan relations has coincided with the incapacitation of SAARC, much to the delight of Pakistan. A weakened SAARC also means heightened instability in other promising regional institutions such as the South Asian University (SAU), which is critical to buttressing India's soft power in the region.



**Prabhash Ranjan**

is Professor and Vice Dean, Jindal Global Law School, O.P. Jindal Global University

Reviving SAARC in the current scenario is too idealistic, so the next best scenario is to look at other regional instruments such as BIMSTEC

A new narrative is that in South Asia, India can successfully use the instrument of bilateralism over regionalism to pursue its interests. While bilateralism is undoubtedly important, it can at best complement, not substitute, regional or multilateral efforts. Regionalism has brought immense success in other parts such as East Asia and Africa. Looking at ASEAN's spectacular success in regional integration, international lawyers Julien Chaisse and Pasha L. Hsieh have developed the concept of a new regional economic order – a process through which developing countries search for a trade-development model, based on incrementalism and flexibility; this is different from the neoliberal model laid down by the Washington Consensus. Regionalism can deliver prosperity in the South Asian region too, especially because multilateralism is weakening.

## The BIMSTEC promise

Since South Asia cannot repudiate regionalism, reviving SAARC by infusing political energy into it and updating its dated Charter will be an ideal way forward. However, in the current scenario, this is too idealistic. So, the next best scenario is to look at other regional instruments such as the Bay of Bengal Initiative for Multi-Sectoral, Technical and Economic Cooperation (BIMSTEC), an intergovernmental organisation established in 1997. BIMSTEC comprises five South Asian nations (Bangladesh, Bhutan, Nepal, India and Sri Lanka) and two ASEAN countries (Myanmar and Thailand). Importantly, Pakistan is not a BIMSTEC member. In recent years, India seems to have moved its diplomatic energy away from SAARC to BIMSTEC. This resulted in BIMSTEC, after 25 years, finally adopting its Charter earlier this year. The BIMSTEC Charter is significantly better than the SAARC Charter. For instance, unlike the SAARC Charter, Article 6 of the BIMSTEC Charter talks about the 'admission of new members' to the group. This paves the way

for the admission of countries such as the Maldives.

Notwithstanding the improvements, the BIMSTEC Charter, to boost economic integration, does not contain the flexible participation scheme of the kind present in the ASEAN Charter. This flexible scheme, also known as the 'ASEAN Minus X' formula, allows two or more ASEAN members to initiate negotiations for economic commitments. Thus, no country enjoys veto power to thwart economic integration between willing countries. Given the experience of SAARC, where Pakistan routinely vetoes several regional integration initiatives, it is surprising that BIMSTEC does not contain such a flexible participation scheme. A flexible 'BIMSTEC Minus X' formula might have allowed India and Bangladesh or India and Thailand to conduct their ongoing bilateral free trade agreement (FTA) negotiations under the broader BIMSTEC umbrella. This would have eventually strengthened BIMSTEC by enabling the gradual and incremental expansion of these binding commitments to other members. India should press for this amendment in the BIMSTEC Charter.

## Some steps to take

BIMSTEC should not end up as another SAARC. For this, its member countries should raise the stakes. A high-quality FTA offering deep economic integration – something that Prime Minister Narendra Modi also advocated at the last BIMSTEC ministerial meeting – would be an ideal step. Likewise, India should explore legal ways to move successful SAARC institutions such as SAU to BIMSTEC. These steps will give stronger roots to BIMSTEC and enable erecting a new South Asian regional order based on incrementalism and flexibility, ushering in prosperity and peace in the region.

*The views expressed are personal*

# Big industries don't observe uniform labour standards in India, says BMS at ILO meet

**A. M. Jigeesh**

SINGAPORE

Big industry do not follow labour standards in India, representatives of worker unions said at the ongoing Asia and the Pacific Regional Meeting of the International Labour Organization (APRM of ILO) on Wednesday.

The Bharatiya Mazdoor Sangh (BMS), representing workers, and the All India Organisation of Employers (AIOE), an allied body of the Federation of Indian Chambers of Commerce and Industry (FICCI), representing employers, presented their views a day after international trade unions attacked the Centre's labour policies at the meeting.

BMS national president Hiranmay Pandya said giant industries and multinational corporations did not observe uniform labour standards in the country. "During the pandemic, contractual workers in the organised and government sectors faced difficulties with wages

## **Call raised for workers in informal and formal sectors to be provided health protection**

too," he said. In his intervention during a discussion on the report presented by ILO Director-General Gilbert F. Hounqbo, Mr. Pandya stated that the mass migration of labour from one country to other and within the country was a key labour issue. "Workers in the informal and formal sectors need to be provided health protection," he demanded.

In his intervention, AIOE vice-president Alok B. Shriram said that during the pandemic, the Indian government came forward with stimulus packages to provide immediate relief to vulnerable sections of society by ensuring provision of foodgrains at the doorstep. He said prudent steps by the Finance Ministry also helped the MSMEs during the crisis.

He said by introducing

four labour codes, India had successfully completed the task of simplification, rationalisation and codification of labour laws in the country.

Earlier, participating in a discussion on "Institutional framework to support transition towards formality and decent work", Self Employed Women's Association (SEWA) leader Sonia George said the informal economy was challenging the existing norms of employment relations. "In most cases, employers will be absent or invisible and there are no ways to locate the employers. This legitimises the need for alternate forms of employment relationships. The role of the state as an employer is very important in many livelihood mechanisms."

Owen Tudor, deputy general secretary of the International Trade Union Confederation, said the unbalanced growth in the Asia Pacific region fails to equitably share the fruits of productivity with the workers.



# India will build consensus within G-20 on global issues: Minister

**The Hindu Bureau**

NEW DELHI

India will try to build a consensus on crucial global issues during the G-20 Presidency for the 2023 summit which was scheduled to be held next September, Minister of State for External Affairs Meenakshi Lekhi said in the Lok Sabha on Wednesday.

Informing the House about the government's international initiatives, she said that India's policy on the Ukraine crisis had been

“consistent and persistent” and that India would champion the voice of the global south in the G-20.

Ms. Lekhi drew attention to the Shanghai Cooperation Organisation (SCO) summit in Samarkand where Prime Minister Narendra Modi met with Russian President Vladimir Putin and emphasised the need for peace.

Ms. Lekhi informed the Lok Sabha that Kashi had been designated as the SCO Cultural and Tourist Capital for 2022-23. This in-

itiative would help showcase the cultural heritage of India. She briefed the House about the G-20 related meetings.

Ms. Lekhi said India's G-20 Presidency would be based on *Jan Bhagidari* (People's Participation) which would draw participation from all sections of the people.

She described India's foreign policy as a means to serve the people of India and said, “we will do whatever it takes to discharge that responsibility”.

# Ukraine-Russia war rages on as refugees pile up

More than 15.8 million Ukrainians have been externally displaced, with majority of them being women

## DATA POINT

### Agencies

Over 285 days have passed since Russia invaded Ukraine and escalations continue unabated. On December 6, drones struck inside Russia's border with Ukraine exposing the vulnerability of some of Moscow's most important military sites. The Ukrainian officials did not formally confirm carrying out drone strikes inside Russia, and they have maintained ambiguity over previous high-profile attacks.

A fire broke out at an airport in Russia's southern Kursk region that borders Ukraine after a drone hit the facility, the region's governor said on Tuesday. In a second incident, an industrial plant 80 km from the Ukrainian border was targeted by drones, which missed a fuel depot at the site.

Moscow blamed Kyiv for attacks on two air bases deep inside Russia on December 5. The attacks on the Engels base in the Saratov region on the Volga River and the Dyagilevo base in the Ryazan region in western Russia were some of the most brazen inside Russia during the war. The Engels base hosts Tu-95 and Tu-160 nuclear-capable strategic bombers that have been involved in strikes on Ukraine. Dyagilevo houses tanker aircraft used for mid-air refueling.

In the aftermath, Russian troops carried out another wave of missile strikes on Ukrainian territory, struck homes and killed civilians, compounding damage done to power and other infrastructure over weeks of missile attacks. On the night of December 5, Russia shelled towns near the Zaporizhzhia nuclear power plant that left over 9,000 homes without running water. The towns lie across the Dnieper River from the nuclear plant, which was seized by the Russian forces in the early stages of the war. Russia and Ukraine have, for months, accused each

other of shelling at the plant.

Meanwhile, President Volodymyr Zelensky on Tuesday visited the frontline region of Donetsk in east Ukraine, describing fighting in the area as "difficult" with Russian forces pushing to capture the industrial city of Bakhmut.

**Map 1** depicts the situation as of day 286 of the war. The regions controlled by Russia currently and before February 24, 2022, are highlighted. Cities such as Mariupol and Melitopol, large sections of Luhansk and Kherson Oblasts are still under the control of Russia.

As of November 29, more than 15.8 million Ukrainians have been externally displaced. About 7.9 million of them took refuge in European nations as shown in **Map 2**. More than 10 lakh refugees from Ukraine have crossed to Germany and Poland, while about 3 to 5 lakh have moved to France, Spain and the Czech Republic.

A majority of the refugees were women and 78% have been separated from their immediate family members. **Chart 3** shows the reasons behind such separations. The primary reason was military conscription, wherein men were mandatorily enrolled for service in Ukraine's armed forces. Other separations were due to some family members refusing to leave the country or could not leave due to restrictions on movement. The results are based on a survey conducted by the UNHCR between May and September 2022.

About 46% of the refugees had received university-level education, while almost 30% were vocationally trained. Above 70% of them were employed before being forced to leave. **Chart 4** shows the educational levels of the displaced refugees and their employment status before leaving Ukraine.

With the war showing no signs of abating, more than 60% of the refugees intend to continue as refugees, with only 13% wanting to move back to Ukraine. **Chart 5** shows the near future intentions of Ukrainian refugees.

## Since the war ensued

The maps and charts are sourced from the United Nations High Commissioner for Refugees (UNHCR). Map 1 was sourced from Graphic News. The data shows the present condition of the Ukrainian regions since the war started and the conditions of the refugees displaced from the country



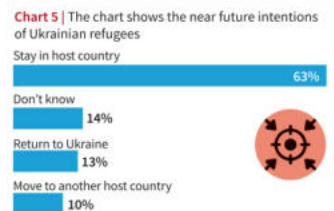
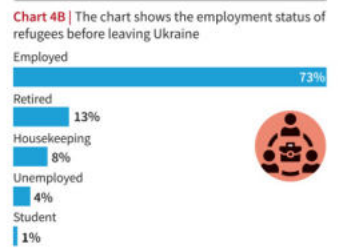
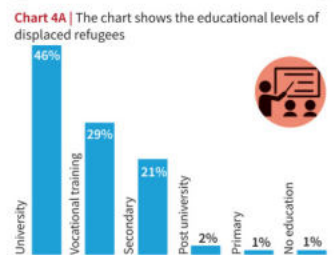
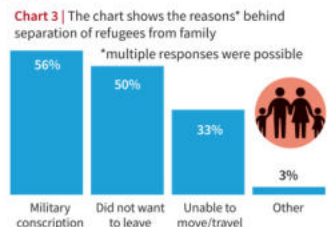
**Map 1** | The map shows the regions in Ukraine controlled by Russia as on the 286th day of the war



**Map 2** | The map shows the number of refugees from Ukraine residing in various European countries as on November 29



□ <1 lakh refugees □ 1-3 lakh □ 3-5 lakh □ 5-10 lakh □ >10 lakh □ Schengen area  
vignesh.r@thehindu.co.in | rebecca.varghese@thehindu.co.in



# India will build consensus within G-20 on global issues: Minister

**The Hindu Bureau**

NEW DELHI

India will try to build a consensus on crucial global issues during the G-20 Presidency for the 2023 summit which was scheduled to be held next September, Minister of State for External Affairs Meenakshi Lekhi said in the Lok Sabha on Wednesday.

Informing the House about the government's international initiatives, she said that India's policy on the Ukraine crisis had been

“consistent and persistent” and that India would champion the voice of the global south in the G-20.

Ms. Lekhi drew attention to the Shanghai Cooperation Organisation (SCO) summit in Samarkand where Prime Minister Narendra Modi met with Russian President Vladimir Putin and emphasised the need for peace.

Ms. Lekhi informed the Lok Sabha that Kashi had been designated as the SCO Cultural and Tourist Capital for 2022-23. This in-

itiative would help showcase the cultural heritage of India. She briefed the House about the G-20 related meetings.

Ms. Lekhi said India's G-20 Presidency would be based on *Jan Bhagidari* (People's Participation) which would draw participation from all sections of the people.

She described India's foreign policy as a means to serve the people of India and said, “we will do whatever it takes to discharge that responsibility”.



# The perils of undoing the framework of reservation

**E**arly last month, the Supreme Court of India upheld the 103rd Constitutional Amendment Act, which had introduced 10% reservation for the economically weaker sections (EWS). The EWS quota and the Court judgment that followed have shifted the discussion on the legacy of affirmative action based on caste in India.

With this judgment, there seems to be an emergent consensus for a social policy framed on the universal basis of deprivation stemming from economic backwardness. The last two decades of jobless growth and increased economic insecurity have added credence to such demand. However, delegitimising caste as a basis for policy is a monumental mistake with real consequences, given the deepening of wealth inequality on caste lines.

## Welfare entitlement and the realities

The new consensus, ostensibly rooted in universalism, comes with a claim that every individual, regardless of caste and ethnicity, should get her due in welfare entitlement. While the claim is understandable, it needs to be scrutinised with ground realities. The collective disadvantage experienced by certain groups is unique to each of them, and their specific deprivations require specific resolutions. Contemporary inequalities are not produced in one's lifetime. The group-based differences in economic and social outcome are not due to differential ambition, ability, and effort. They are inheritances. These inherited inequalities – economic, cultural and social capital – are passed on to successive generations. One such site of intergenerational inequality is wealth. Caste mediates transfers of wealth over generations in India. The latest survey, the All India Debt & Investment Survey (AIDIS-2019) released in 2021 shows the trend of deepening caste inequality in wealth in India. AIDIS collects information on physical assets such as land, livestock, buildings, agricultural machinery, and transport equipment, as well as financial assets such as shares, deposits and amount receivable by the household. Wealth is a better measure of economic status than income and consumption. Wealth is a stock variable that takes time to change while income/consumption is a flow variable that alters frequently.

Inequality is broadly found to have risen in



**Kalaiyaran A.**

is an Assistant Professor at the Madras Institute of Development Studies (MIDS), India, and a Research Affiliate at South Asia Institute, Harvard University

The substitution of caste by economic criteria will not only reverse the modest gains made in affirmative action so far but also deepen structural inequality

India between 1990 and 2020, particularly in the early 2000s. Such a rise has been varied based on the dimension and method one adopts. This is more severe in the case of wealth, followed by income and consumption inequality. The gini index of wealth inequality has gone up from 0.62 in 1992, 0.63 in 2002 and 0.67 in 2012 to 0.68 in 2019. Contrast this with the available consumption figure of 0.37 or income which stands 0.54 in 2012 and you get a better picture.

The average per capita of wealth among the upper castes was ₹8,03,977 in 2019 as against ₹4,09,792 for OBCs, ₹2,28,388 for Dalits and ₹2,32,349 for tribals. In other words, on average, the upper castes own wealth more than three times of Dalits and twice that of OBCs. They control about 45% of the total wealth in the country followed by OBCs holding 40%, Dalits 10% and Adivasis 5%. The upper castes not only own a larger share of wealth but are also disproportionately concentrated in the top quintile. About 55% wealth in the top quintile is controlled by the upper castes followed by 36% for OBCs, 5% for SCs and 3% for tribals. Contrary to popular perception, it is not income or saving behaviours of individuals that have generated alarming wealth inequality, but it is a product of the long history of institutional exclusion of certain caste groups.

The source of the wealth gap is historical and inherited. If we disaggregate wealth, land and building constitute a large part of it – 60% and 22%, respectively, followed by 7% of financial assets. These two components – land and buildings – are largely inherited. The land inequality in particular has a longer history going all the way back to the British colonial era. Colonial intervention which assigned land ownership to some castes at the expense of others continued in post-colonial India. India's truncated land reform did not alter this legacy. The real estate boom post the 1990s further helped those owning land and buildings consolidate their wealth, thanks to increased land value due to speculation. The ratio of private wealth to national income increased from 290% in 1980 to 555% in 2020, estimated to be the fastest increase in the world by the World Inequality Report 2022. This is not surprising as India has zero taxation of wealth and inheritance.

How do we then craft our public policy in this context of such deepening wealth inequality? Can

caste-neutral policy arrest this wealth gap? Those who argue for caste-blind policy seem to inadvertently rationalise this inequality. Caste-neutral policies cannot address the historical legacies of inequalities. They are insufficient to arrest the magnitude of the caste gap in wealth. It is unfortunate that reservations became the singular policy instrument to address caste-based inequality in India. Despite modest achievements in improving access to education, jobs and enhanced earnings, it failed to address structural inequalities.

The caste wealth gap is not just a product of differences in education, jobs, and income but rather an inequality passed from one generation to the next. Hence, an improvement in education and access to jobs alone will not arrest this gap. Undoing the existing framework of reservation – by substituting caste by economic criteria – will not only reverse the modest gains made so far but also deepen structural inequality.

## Global experience

Anxieties over loss of social and cultural status among the middle classes are gaining ground in many countries particularly where some form of affirmative action is in place. In the United States, for instance, the gains brought about by affirmative action for Black Americans received 'White backlash' or 'White rage'; similar has been the anti-reservation vitriol that culminated in introducing the EWS quota in India. Notwithstanding the differences in histories of caste and race, both continue to be durable institutions of inequality. While the legacies of these institutions are incommensurable to each other, the call for colour-blind policies has striking similarities with the debate on caste-neutral policy making in India. More recently, with Donald Trump coming to power, the U.S. has attempted to put a hold on affirmative action. The new government led by Joe Biden has not altered such reversals either.

The degree of inequality in any society is a political choice. Focusing on the past two centuries, Thomas Piketty argues "history of the distribution of wealth has always been deeply political, and it cannot be reduced to purely economic mechanisms". A just society requires creating a level-playing field, altering the enduring legacy of inherited wealth and caste that block opportunities and life choices.

# The impasse over appointment of judge

How did the National Judicial Appointments Commission come into being? Why was it later struck down as 'unconstitutional'? Why is the government insisting on a different system for appointment of judges to the Supreme Court and High Courts? What is the 'basic structure' doctrine?

## EXPLAINER

Diksha Munjal

### The story so far:

Last week, Vice-President Jagdeep Dhankhar commented on the ongoing heated debate between the Central government and the Supreme Court over the matter of judicial appointments. Referring to the 2015 verdict of the SC which struck down the National Judicial Appointments Commission (NJAC) and the 99th Amendment, Mr. Dhankhar asked how the judiciary could have run down a unanimously-passed constitutional provision which reflected "the will of people".

### What was the NJAC?

In August 2014, Parliament passed the Constitution (99th Amendment) Act, along with the National Judicial Appointments Commission (NJAC) Act, which together provided for the creation of an independent commission to appoint judges to the Supreme Court (SC) and High Courts (HC). This commission was to replace the collegium system. The two Bills were ratified by the required number of State Legislatures and got the President's assent on December 31, 2014. Articles 124 and 217 of the Constitution deal with the appointment of judges to the SC and HCs of the country. Article 124(2) states "every Judge of the Supreme Court shall be appointed by the President" after "consultation" with the judges of the SC and the HCs. So, while the collegium system itself does not figure in the Constitution, its legal basis is found in three SC judgments – usually referred to as the 'Judges Cases'. In order to replace this system which received criticism over the years for its lack of transparency, among other provisions, the Constitution (99th Amendment) Act, introduced three primary Articles. Article 124A which created the NJAC, a constitutional body to replace the collegium system, Article 124B which conferred the NJAC with the power to make appointments to Courts and Article 124C which accorded express authority



to Parliament to make laws regulating the manner of the NJAC's functioning. Under the NJAC Act, the Chief Justice of India and Chief Justices of the HCs were to be recommended by the NJAC on seniority while SC and HC judges were to be recommended on the basis of ability, merit, and "other criteria specified in the regulations". Notably, the Act empowered any two members of the NJAC to veto a recommendation if they did not agree with it. In the collegium system, senior-most judges make appointments to the higher judiciary.

### Why was the NJAC challenged?

In early 2015, the Supreme Court Advocates-on-Record Association (SCAORA) filed a plea challenging the provisions which had by then become laws. The SCAORA contended in its petition that both the Acts were "unconstitutional" and "invalid". It argued that the 99th Amendment which provided for the creation of the NJAC took away the "primacy of the collective opinion of the Chief Justice of India and the two senior-most Judges of the

Supreme Court of India" as their collective recommendation could be vetoed or "suspended by majority of three non-Judge members". It invoked the Second Judges Case to say that CJI primacy had to be protected. It also stated that the amendment "severely" damaged the basic structure of the Constitution, of which the independence of the judiciary in appointing judges was an integral part. The Second Judges Case of 1993 emphasised the role of the CJI in appointing judges to SC and HCs. "The role of the CJI is primal in nature because this being a topic within the judicial family, the Executive cannot have an equal say in the matter," the verdict reasoned. The "basic structure" doctrine meanwhile refers to the idea that the Constitution could not be amended or read in a manner that destroyed the document's basic structure.

### What were the arguments between the Centre and the Supreme Court?

Former Attorney-General Mukul Rohatgi, for the Union government, had argued in court that the Second Judges case, invoked

by the petitioners was not valid in the case of the NJAC as the "very basis" of the ruling was now gone. The Centre also argued that the Act in no way took away the primacy of the judiciary but in fact, diluted the power of the executive as only one member, the Law Minister, was in the NJAC as opposed to three SC judges. It also said that the amendment was "perfectly consonant" with the basic structure as it strengthened the "independence of the judiciary, checks and balances and democracy". Solicitor-General Ranjit Kumar further argued that the collegium was a "failure" and worked on a system of "intra-dependence", where there was "no transparency".

In October 2015, the five-judge bench of the top court hearing SCAORA's plea gave its ruling, with a 4:1 majority, that the NJAC was "unconstitutional" and violated the "basic structure of the constitution". Significantly, the Bench admitted that all was not well even with the collegium system of "judges appointing judges", and that the time was ripe to improve the system of judicial appointments.

## THE GIST

In August 2014, Parliament passed the Constitution (99th Amendment) Act, along with the National Judicial Appointments Commission (NJAC) Act, which together provided for the creation of an independent commission to appoint judges to the Supreme Court (SC) and High Courts (HC). This commission was to replace the collegium system.

In early 2015, the Supreme Court Advocates-on-Record Association (SCAORA) filed a plea challenging the provisions which had by then become laws. The SCAORA contended in its petition that both the Acts were "unconstitutional" and "invalid".

At that time, Solicitor-General Ranjit Kumar had argued that the collegium was a "failure" and worked on a system of "intra-dependence", where there was "no transparency".

GETTY IMAGES



# Bill to amend law on cooperative societies introduced in LS

## **The Hindu Bureau**

NEW DELHI

A Bill to amend the Multi-State Cooperative Societies Act, aimed at bringing in transparency in the sector, was introduced in the Lok Sabha on Wednesday.

Many Opposition MPs asked for the Bill to be referred to a Standing Committee for review arguing that it encroached on the rights of States.

The Multi-State Cooperative Societies (Amendment) Bill, 2022, was introduced by Minister of State (MoS) for Cooperation B.L. Verma.

The Bill seeks to strengthen governance, reform the electoral process, improve the monitoring mechanism, and ensure ease of doing business in multi-State cooperative societies.

It also aims to improve the composition of boards and ensure financial discipline, besides enabling the raising of funds in the multi-State cooperative societies.

In order to make the governance of multi-State cooperative societies more democratic, transparent

and accountable, the Bill has provisions for setting up of Cooperative Election Authority, Cooperative Information Officer and Cooperative Ombudsman. To promote equity and facilitate inclusiveness, provisions relating to representation of women and Scheduled Caste/Scheduled Tribe members on the board of multi-State cooperative societies, have been included.

Leader of the Congress in the Lok Sabha Adhir Ranjan Chowdhury said cooperative societies came under the State List.

“There is a clear indication that the Central government has been encroaching upon the territory of State governments [and] that is why protests are cropping up across the nation,” Mr. Chowdhury said.

Revolutionary Socialist Party (RSP) leader N.K. Premachandran said the Bill went against the spirit of the definition of cooperative societies as enshrined in the Constitution. The legislation was against the federal structure of the country, he alleged.



# Reservation for Dalit converts: SC to decide on hearing petitions

Centre tells court to wait for recommendations of Balakrishnan panel; plea wants Clause 3 of the Constitution (SC) Order, 1950 declared void

**Krishnadas Rajagopal**  
NEW DELHI


**T**he Supreme Court on Wednesday said it would examine the question whether the court should wait for the report of the Justice K.G. Balakrishnan Commission or go ahead and hear a series of petitions seeking Scheduled Castes quota benefits for Dalit converts to other religions, primarily Christianity.

The Centre, through Solicitor-General Tushar Mehta, said only persons professing Hinduism, Buddhism and Sikhism are deemed to belong to the SC community. The inclusion of a group in the SC list under Clause 3 of the Constitution (Scheduled Castes) Order, 1950 would be re-



quired to show “extreme social, educational and economic backwardness arising out of practice of untouchability”. Mr. Mehta said the court may wait till the new commission came up with its recommendations. The time given to the commission is two years.

The petitioners sought the court to declare Clause 3 of the 1950 Order to be declared unconstitutional and void.

 Dalits who had previously converted cannot now return to claim reservation benefits enjoyed by those who chose to stay back in the Hindu religious system

**UNION GOVERNMENT**

The government argued that Dalits who had converted to Christianity or Islam to overcome caste oppression cannot now return to claim reservation benefits enjoyed by those who chose to stay back in the Hindu religious system. Besides, the government said, Christianity is an egalitarian religion which did not adhere to any caste system. The court listed the case for hearing in January.

# RBI goes slow on rates, limits increase to 35 bps

Worldwide slowdown can dent India's growth to 6.8% from the 7% projected earlier, says central bank Governor Shaktikanta Das, but adds that the worst of inflation is over for the country

**Vikas Dhoot**  
NEW DELHI

**T**he Reserve Bank of India (RBI) on Wednesday raised the policy repo rate by 35 basis points (bps) to 6.25%, downshifting gears from consecutive increases of 50 bps, and scaled down GDP growth hopes for the year to 6.8% from 7%, even as Governor Shaktikanta Das exuded confidence about the economy being resilient and asserted that “the worst of inflation” was behind us.

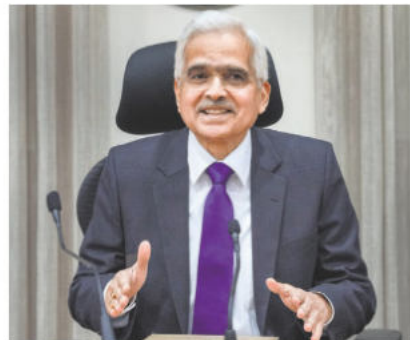
A 100 basis points equal one percentage point. The central bank retained its inflation projection for 2022-23 at 6.7%, noting that inflation will ease but stay well above the 6% upper tolerance limit set for the RBI.

Mr. Das vowed to keep an “Arjuna’s eye” on evolving inflation dynamics, even as cooling global prices for crude oil, commodities and other items extend hope of relief.

Having hovered well over RBI’s upper tolerance limit of 6% since January 2022, retail inflation eased slightly on a sequential basis to 6.8% in October, but Mr. Das noted that core in-

## Resilient economy

What **Governor Das** said in the MPC review:



■ **Indian economy is holding on and doing well** in a world of slowing growth and possibilities of recession in several countries

■ **High inflation is moderating.** Globally, the same trend is visible with decline in prices of commodities, crude oil and other items

■ While inflation is coming down, there is no room for complacency – **we have to be extremely watchful** and act when it becomes necessary

■ The story of the Rupee is one of resilience and stability. We remain **committed**

**to act in order to prevent excessive volatility** in the exchange rate

■ The Current Account Deficit is eminently manageable – let there be no doubt about it. Our **forex reserves have risen \$36.7 billion since October to touch \$561.2 billion by December 2.** Our external debt ratios are low by international standards



flation remains sticky and the medium-term outlook “is exposed to heightened uncertainties from geopolitical tensions, financial market volatility and the rising incidence of weather-related disruptions”.

RBI Deputy Governor Michael Patra said the moderation of inflation will be “very grudging, very uneven” so the central bank must first “shepherd inflation firmly into the tolerance band (below 6%) and then to the 4% target”.

The RBI now expects inflation to average 5.9% in the January to March 2023 quarter, drop to 5% in the

first quarter (Q1) of 2023-24 and edge up to 5.4% between July and September 2023, assuming a normal monsoon.

The central bank believes that the economy is “resilient” with the Q2 of 2022-23 clocking 6.3% GDP growth, in line with its estimate, and economic activity gaining further strength in October bolstered by urban consumption and a recovery in discretionary spending. However, it expects GDP growth to wane to 4.4% in Q3 and 4.2% in Q4 owing to adverse spillovers from the global slowdown and its negative im-

pact on India’s exports and overall economic activity.

“The biggest risks to the outlook continue to be the headwinds emanating from protracted geopolitical tensions, global slowdown and tightening of global financial conditions. Real GDP growth is projected at 7.1% for Q1 of 2023-24 and at 5.9% for Q2. Even after this revision in our growth projection for 2022-23, India will still be among the fastest-growing major economies in the world,” the statement said.

**CONTINUED ON**  
» **PAGE 10**



# RBI goes slow on rates, limits increase to 35 bps

The six-member monetary policy committee was, however, not unanimous about the latest policy stance, with one member voting against the rate hike and two members disagreeing with the decision “to remain focussed on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth”. Mr. Das left it to the market to interpret if the policy was ‘hawkish’ or ‘dovish’ and was non-committal about this hike marking the end of the current rate increase cycle that has lifted the policy rate from 4% in April to 6.25%.

Mr. Patra, however, pointed out that the moderation in the pace of rate hikes “after continuous 50 basis points increases” indicates a “shift in the wind”. “If things pan out as we have projected, then the 50-basis point consecutive increases in the rate are over,” he said, adding that the central bank can still not take its shoes off the pedal as inflation needs to be guided lower and stabilised.

Asserting that India’s monetary policy is determined primarily by domestic factors, Mr. Das, however, noted that the “terminal rate” for the U.S. Federal Reserve, which has raised interest rates by 3.5 percentage points over the same period and whose actions affect global financial conditions, is “anybody’s guess”. But they cannot be tightening monetary policy “endlessly”, he remarked.

## ‘Tide will turn’

“When the tightening is over, the tide will surely turn. Capital flows to India will improve and external financing conditions will ease,” the Governor said, adding that the rupee, which has been resilient and stable, should be allowed to find its level and the central bank is only striving to rein in excessive volatility in the exchange rate.

“We must deal with the current global hurricane with confidence and endurance,” he averred, stressing that though India is decoupled from the global economy in several aspects, it cannot be entirely decoupled in an inter-connected world. “Our actions will be nimble and in the best interest of the economy. The aspect of growth will obviously be kept in mind,” the Governor underlined.

Wednesday’s rate increase was largely in sync with market expectations, and SBI group chief economic adviser Soumya Kanti Ghosh said there is a low probability of a “terminal 25 bps rate hike” at the next monetary policy review. “However, that (rate hike) if it were to happen, will also be accompanied with a change in stance to neutral,” he reckoned.

The next monetary policy review is due on February 8, soon after the Union Budget 2023-24 is presented and the U.S. Federal Open Market Committee policy statement in late January.



# RBI tweak to UPI will help in e-com, share purchases: Das

A customer can create a payment mandate against a merchant by blocking funds in bank account, which can be debited when needed, says RBI Governor; central bank also expands ambit of BBPS

**Press Trust of India**  
MUMBAI

**T**he RBI on Wednesday said it would add a feature in the UPI platform to aid payments where delivery of goods and services happens later, like with e-commerce purchases, hotel bookings or investments.

“It has... been decided to introduce a single-block-and-multiple-debits functionality in UPI, which will significantly enhance the ease of making payments in e-commerce space and towards investments in se-

## Question of certainty

The aim of adding the feature to the Unified Payment Interface (UPI) platform is to help build greater trust

- Merchants will be assured of timely payments, while the funds remain in the customer's account till actual delivery of goods or services

- Bharat Bill Payment System will now enable payment of professional service



and education fees, tax and rent payments

curities,” RBI Governor Shaktikanta Das said after announcing the bi-monthly policy review. A customer could create a payment mandate against a merchant by blocking funds in

his/her bank account, which can be debited when needed, he said.

Such a facility will build greater trust in transactions as merchants will be assured of timely pay-

ments, while the funds remain in the customer's account till actual delivery of goods or services, the Governor added.

Mr. Das also announced that the Bharat Bill Payment System (BBPS) will now include all payments and collections.

The BBPS currently does not allow non-recurring payments, or collections even if they are recurring in nature, he said.

So, professional service fees, education fees, tax payments, rent collections fall outside the ambit of the platform, he added.

# ISRO inks MoU to establish SpaceTech Innovation Network

**The Hindu Bureau**  
BENGALURU

The Indian Space Research Organisation (ISRO) has signed an MoU with Social Alpha, a multistage innovation curation and venture development platform for science and technology start-ups, to launch Space-Tech Innovation Network (SpIN).

SpIN is India's first dedicated platform for innovation, curation, and venture development for the burgeoning space entrepreneurial ecosystem. The space agency said that the tie-up is one-of-a-kind public-private collaboration for start-ups and SMEs in the space industry.

"This novel partnership is a significant step forward



The partnership is a step forward in providing further stimulus to India's recent space reform policies, says ISRO.

in providing further stimulus to India's recent space reform policies and will work towards identifying and unleashing the market potential of the most promising space tech innovators and entrepreneurs in India," the space agency

said. It added that SpIN will primarily focus on facilitating space tech entrepreneurs in three distinct innovation categories: Geospatial Technologies and Downstream Applications; Enabling Technologies for Space & Mobility; and Aerospace Materials, Sensors, and Avionics.

"Innovative technologies are expected to bring a paradigm shift in utilising the space applications to maximise the economic, social, and environmental benefits for the larger society. I wish the SpIN platform would create a level playing field for various stakeholders to collaborate and contribute to the space ecosystem in the country," said S. Somnath, Chairman, ISRO.

# India will not tolerate any unilateral attempts to change LAC: Jaishankar

**The Hindu Bureau**  
NEW DELHI

External Affairs Minister S. Jaishankar informed the Rajya Sabha on Wednesday that it has been made clear to China diplomatically that any attempts to unilaterally change the Line of Actual Control would not be tolerated.

He was responding to a clarification sought by the Congress's Pramod Tewari and Nasir Hussain on the border situation. They

asked whether Prime Minister Narendra Modi had raised the issue of the June 2020 killing of 20 Indian soldiers in Ladakh's Galwan region when he met Chinese President Xi Jinping at the G-20 summit in Indonesia last month.

"Diplomatically, we have been clear with the Chinese that we will not tolerate any attempt to unilaterally change the LAC... So long as they continue to seek to do that, if they have built up forces, in our

minds it constitutes a serious issue, then our relation is not normal and the abnormality of that has been witnessed in the past two years. The military commanders of the two countries are talking and it should be left to them," Mr. Jaishankar said.

Responding to a statement by John Brittas of the CPI(M) that India was acting under pressure of the West after the Russia-Ukraine war, Mr. Jaishankar said the government did

not ask oil companies to buy Russian oil. They simply went for the best option available. "It depends on what the market gives us. It's not that we buy oil from only one country. It is sensible to go for the best deal. Our concern is on stability and affordability of the energy market," the Minister said.

On India's abstention in the UN vote on the Sri Lankan human rights issue, he said this has been a long-standing position of India.



# Plan to install 500 GW of renewable energy capacity by 2030 to cost ₹2.44 trillion

**Jacob Koshy**

NEW DELHI

India's plan to install 500 GW (gigawatt) of renewable energy capacity by 2030 will involve an investment of at least ₹2.44 lakh crore or ₹2.44 trillion, according to a committee constituted by the Central Electricity Authority (CEA).

"The plan we are launching today is in line with our commitments and it will also pave the way for adding the required generation capacity," said R.K. Singh, Minister for Power and Renewable Energy, at an event to launch the committee's report on Wednesday.

As part of its international climate commitments, India has said that it will source roughly half its energy needs from non-fossil fuel sources by 2030. Financing the energy transition of developing countries such as India is among the thorniest geopolitical issues, with India having said multiple times



**Transmission plan:** Power Minister R.K. Singh, centre, releases the report on building clean energy capacity. @OFFICEOFRKSINGH/TWITTER

at United Nations climate conferences that "trillions of dollars" would be required.

The committee, headed by the Chairman of the Central Electricity Authority, had representatives from the Solar Energy Corporation of India, Central Transmission Utility of India Ltd, Power Grid Corporation of India Ltd, National Institute of Solar Energy, and National Institute of Wind Energy. They were tasked with setting out a plan for the transmission system required for having 500 GW of non-fossil fuel-based installed capacity by 2030.

The transmission plan also includes systems required for transporting 10 GW of off-shore wind-based energy located in Gujarat and Tamil Nadu at an estimated cost of ₹28,000 crore.

The inter-regional capacity will increase to about 1.5 lakh MW by 2030 from 1.12 lakh MW at present.

The plan has identified upcoming non-fossil fuel generation centres in the country, including at Fatehgarh, Bhadla and Bikaner in Rajasthan, Khavda in Gujarat, and Anantapur and Kurnool in Andhra Pradesh.

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



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

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