



# VEDHIK DAILY NEWS ANALYSIS

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# FOREWORD

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

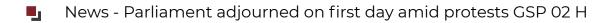
It is an appreciable efforts by Vedhik IAS Academy helping aspirants of UPSC Civil Services Examinations. I would like to express my sincere gratitude to Dr. Babu Sebastian, former VC - MG University in extending all support to this endeavour. Finally I also extend my thanks to thank Ms. Shilpa Sasidharan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

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

# CONTENTS

- News A revolt that could turn into a revolution GSP 02 A
- News Crypto law needs global teamwork FM GSP 02 B
- News The Shanghai Cooperation Organisation and its stature in the modern world GSP 02 B
- Editorials The Pakistan and IMF talks What lies ahead GSP 02 C
- News Russia said to seek Indian oil payments in UAE dirhams GSP 02 C
- Editorials Cart before the horse GSP 02 E
- News Minority status in India is State-dependent, says SC GSP 02 E
- News Approach Monsoon Session with 'open mind', says Modi GSP 02 H





- News Dhankhar files papers for V-P polls GSP 02 K
- News 'Govt., RBI measures aid NPA recovery GSP 03 A
- News GST compensation dues now total ₹ 35,266 crore GSP 03 A
- News Panel on MSP, natural farming set up GSP 03 K
- Editorials India's climate imperative GSP 03 P
- News Stalemate in India-China talk continues GSP 03 U



# A revolt that could turn into a revolution

Without a new social contract, there could be unrestrained conflict with the working people in Sri Lanka



AHILAN KADIRGAMAR

The great revolt of the masses has overthrown an authoritarian president in Sri Lanka, but it has not abolished the executive presidency. Indeed, on July 18, within days of assuming office as acting President, Ranil Wickremesinghe declared an Emergency, to supposedly ensure the safety of parliamentarians who are to vote for a President on July 20.

### A new social contract

Such executive overreach has been the bane of problems in Sri Lanka. There has been no moment in the last four decades more opportune than this to rid the country of this undemocratic institution. Then why are the liberal reformers and lawmakers so reluctant to move on abolishing the executive presidency? It is because the office of the executive president is being projected as the custodian of law, order and property in these tumultuous times. Sri Lanka is in a great moment of revolt, but it is far from a revolution, for a revolution would entail changing our fundamental social relations including property relations. Nevertheless, a radical consciousness is emerging among the masses, who are protesting on the streets and occupying the highest offices of the state.

Such power of the people has unnerved the liberal quarters and international actors who are quick to warn of anarchy, lawlessness and destruction of property. Indeed, the people's struggle could escalate to occupying private property and demands for redistribution. However, through the many months of the crisis, the government and the Opposition in Parliament have avoided discussing redistribution. They cannot even stomach higher direct taxes, let alone a wealth tax. Instead, their energies go into begging international donors for funds and pushing the country into further debt.

It is these dynamics that are at play when the entrenched liberal political establishment, determined to preserve the neoliberal economic status quo, begins retreating into the



constitutionality of the political process. Haven't the very foundations of our political system been shaken by the greatest protests in Sri Lankan history? This is a moment when the social contract between state and society must be reconstructed. Without a new social contract, there is likely to be a no-holds-barred conflict with the working people.

### Factors for political survival

At every moment in the last four months, parliamentary manoeuvres have undermined the protests and attempted to deflect people's opposition. But those manoeuvres - whether it was the resignation of Cabinet Ministers in April, the appointment of Mr. Wickremesinghe as Prime Minister in May, or the attempts to pass a watered-down Amendment on the Executive Presidency in June - have eventually been confronted by the people's movement. Similar dynamics are going to be at play when Parliament seeks to elect a President to complete the term of Gotabava Raiapaksa. This time around, it is Mr. Wickremesinghe who has come to symbolise order and preservation of the status quo. His self-interest and the interests of some powerful political and global actors coincide in making him the front-runner for the post of interim President, who will be elected by Parliament. After all, it is clear that in a presidential election requiring the support of a popular majority, he would not stand a chance. He could not even win his seat in Parliament in the last election and only came into Parliament on the sole seat of his United National Party that suffered a terrible defeat.

Mr. Wickremesinghe lacks the social and political base to lead the country. He has no political credibility to speak of, or moral authority. after openly backing the country's most discredited regime. However, his political survival depends on the support of three significant constituencies. First, the Rajapaksas and their party, the Sri Lanka Podujana Peramuna (SLPP), whose social base has been wiped out with mass opposition to their rule. The party is now in desperate need of someone at the helm of state power to protect it. Second, the top brass of the military, whose commander-in-chief and socalled war hero has fled the country, while international sanctions unnerve some in the military leadership. Third, international actors who would like to see their geopolitical interests served in Sri Lanka. Therein lies the great danger for the country.

What was considered a 'political deal' between the Rajapaksas and Mr. Wickremesinghe when he was appointed Prime Minister has now come into the open with the SLPP supporting his candidacy. Mr. Wickremesinghe will defend the Rajapaksas and further their interests, as he is dependent on their political base, corrupting politics to the hilt.

Next, he needs the military to suppress the protests as much as the military needs him to protect them. This quid pro quo creates the danger of authoritarian rule through further militarisation. As acting President last week, Mr. Wickremesinghe issued a gazette notification to include more subjects under the purview of the Ministry of Defence, including the Board of Investment, necessary for his authoritarian neoliberal project. Such militarisation will mount under his presidency, in addition to neoliberal policies of dispossession.

And as for international actors, a Wickremesinghe presidency with

authoritarian stability will converge with their interests. A leader without a social and political base dependent on them will not just sing but also dance to their tunes, and sell the strategic assets of the country for a song.

### First as tragedy, then as farce

In The 18th Brumaire of Louis Bonaparte, Karl Marx wrote these opening lines about the failed French revolution of 1848: "Hegel remarks somewhere that all facts and personages of great importance in world history occur, as it were, twice. He forgot to add: the first time as tragedy, the second time as farce." Marx was referring to the tragedy of Napoleon's adventurous capture of state power and then the farce of his nephew Louis Bonaparte's claim to be a similar leader many decades later. In Sri Lanka, J.R. Javewardene's ascendance to power in 1977, the creation of the executive presidency, the initiation of neoliberal policies, his alignment with the U.S. amidst the Cold War, and the repression of organised labour and the Tamil minority culminating in the civil war, was a devastating tragedy. Now, Mr. Wickremesinghe, Jayewardene's nephew, has grand ambitions of capturing the presidency, repressing the people's movement and taking forward the neoliberal project. It is a farce from every angle. Mr. Wickremesinghe has neither the social nor political base of Jayewardene. The people's movement has become far more politically conscious with the nationwide protests. And the global neoliberal project itself is in crisis now.

Even if Mr. Wickremesinghe were to be elected, his tenure will remain contested, and may last only till the next wave of protests. But it would polarise society, generate a xenophobic backlash against the external actors who back him and ravage the economic lives of people.

Through the manoeuvres of those in power, the people are being pushed to continue on the path from revolt to revolution. If state power is brought to serve a class project in the figure of Mr. Wickremesinghe, the political crisis will aggravate. Who is ready for this wager?

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# Crypto law needs global teamwork: FM

Minister's statement in Parliament signals legislation on cryptocurrencies may be off the table for now

SPECIAL CORRESPONDENT NEW DELHI

The Reserve Bank of India has recommended a ban on cryptocurrencies citing 'destabilising effects' for the country's monetary and fiscal health, but a law to regulate or ban cryptocurrencies can only be effective once there is some form of international agreement in place, the Finance Minister said.

"Cryptocurrencies are by definition borderless and require international collaboration to prevent regulatory arbitrage," Finance Minister Nirmala Sitharaman said in a written reply on Monday to a question from Lok Sabha MP Thol Thirumavalavan asking about the government's plans to legislate restrictions on such instruments.

"Any legislation for regulation or for banning can be ef-



Joint task: 'Cryptocurrencies are borderless and require international teamwork to prevent regulatory arbitrage'. • AP

fective only after significant international collaboration on evaluation of the risks and benefits and evolution of common taxonomy and standards," she added.

The Minister's comments assume significance as they suggest a legislation for reining in activity in cryptocurrencies, which had been included in Parliament's list of business for two sessions last year, is off the table till a global compact of some form can be firmed up.

Informing the Lok Sabha about the RBI's concerns ov-

er the adverse effects cryptocurrencies could have for the economy, Ms. Sitharaman said: "RBI mentioned that cryptocurrencies are not a currency because every modern currency needs to be issued by the central bank or Government.

**'Value solely speculative'** "Further, the value of fiat currencies is anchored by monetary policy and their status as legal tender, however the value of cryptocurrencies rests solely on the speculation and expectations of high returns that are not well anchored, so it will have a destabilising effect on the monetary and fiscal stability of a country," she added.

"In view of the concerns expressed by RBI on the destabilising effect of cryptocurrencies... RBI has recommended for framing of legislation on this sector. RBI is of the view that cryptocurrencies should be prohibited," the Minister said.

The Ministry noted that the RBI had been cautioning people against the use of virtual currencies since as far back as 2013. In April 2018, the RBI had prohibited regulated entities from dealing in virtual currencies or providing services for facilitating any person or entity in dealing with or settling them. The directive was set aside by the Supreme Court in March 2020.

Subsequently, in May 2021, RBI advised regulated entities to continue to carry out customer due diligence processes for transactions in such currencies, in line with regulations including KYC and Anti-Money Laundering.



# The Shanghai Cooperation Organisation and its stature in the modern world

What is the SCO and how does the grouping impact India? Is it set up to counter the West?

### SAPTAPARNO GHOSH

THE GIST

Founded in June 2001 as the 'Shanghai Five', the grouping consisted of Russia, China, Kazakhstan, Kyrgyzstan and Tajikistan. They came together in the post-Soviet era in 1996, in order to work on regional security and reduction of border troops.

India acquired the observer status in the grouping in 2005 and was admitted as a full member in 2017.

Through the years, the SCO hosts have encourage

members on the sidelines

SCO hosts have encou members to use the platform to discuss differences with other The story so far: Iran and Belarus could soon become the newest members of the China and Russia-backed Shanghai Cooperation Organisation (SCO). "In the Samarkand summit [In September], we expect the leadership to adopt a document on the obligations Iran must fulfil to gain membership. The legal procedures of Belarus's accession are about to start. We need to build consensus on the acceptance of Belarus," Chinese diplomat and incumbent Secretary-General of SCO, Zhang Ming, stated last week. According to him, the suggested expansion would exhibit the collective's rising international influence and its principles being widely accepted.

#### What is the SCO?

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#### The HSC is the supreme decision-making body of the organisation. It meets annually to adopt decisions and guidelines on all important matters relevant to the organisation

Some of their prominent outcomes in this arena entail an 'Agreement on Confidence-Building in the Military Field Along the Border Areas' (in 1996) between China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan, which led to an agreement on the mutual reduction of military forces on their common borders in 1997. It would also pitch in to help the Central Asian countries resolve

some of their boundary disputes. In 2001, the 'Shanghai Five' inducted Uzbekistan into its fold and named it the SCO, outlining its principles in a charter that promoted what was called the "Shanghai spirit" of cooperation. The charter, adopted in St. Petersburg in 2002, enlists its main goals as strengthening mutual trust and neighbourliness among the member states; promoting their effective cooperation in politics, trade, economy, research and technology, and culture. Its focus areas include education, energy, transport, tourism and environmental protection.

Include Cuckation, Integly transport, tourism and environmental protection. It also calls for joint efforts to maintain and ensure peace, security and stability in the region; and the establishment of a democratic, fair and rational new international political and economic order. The precise assertion, combined with some of the member states' profiles, of building a "new international political and economic order" has often led to it being placed as a counter to treaties and groupings of the West, particularly North Atlantic Treaty Organisation (NATO).

The grouping comprises eight member states – India, Kazakhstan, China, Kyrgyzstan, Pakistan, Russia, Tajikistan and Uzbekistan. The SCO also has four observer states – Afghanistan, Iran, Belarus and Mongolia – of which Iran and Belarus are now moving towards full membership.

#### How is this relevant to India?

India acquired the observer status in the grouping in 2005 and was admitted as a full member in 2017. Through the years, the SCO hosts have encouraged members to use the platform to discuss differences with other members on the sidelines. It was on such an occasion that Prime Minister Narendra Modi held a bilateral meeting with former Pakistani Prime Minister Nawaz Sharif in 2015 in Ufa, and Poreign Minister S. Jaishankar negotiated a five-point agreement with his Chinese counterpart Wang Yi on the sidelines of the Moscow conference in 2020. India is also a part of the 'Quadrilateral' grouping with the U.S., Japan and Australia. Its association with the grouping of a rather different nature is part of its foreign policy that emphasises on principles of "strategic autonomy and multi-alignment".

#### What is the organisational structure? The SCO secretariat has two permanent bodies – the SCO Secretariat based in Beijing and the Executive Committee of the Regional Anti-Terrorist Structure (RATS) based in Tashkent. Other than this, the grouping consists of the Heads of State Council (HSC), the Heads of Government Council (HGC) and the Foreign Ministers Council. The HSC is the supreme decision-making

The HSC is the supreme decision-making body of the organisation. It meets annually to adopt decisions and guidelines on all important matters relevant to the organisation. The HGC (mainly including Prime Ministers) also meets annually to zero in on the organisation's priority areas and multilateral cooperation strategy. It also endeavours to resolve present economic and cooperation issues alongside approving the organisation's annual budget. The Foreign Ministers Council considers issues pertaining to the day-to-day activities of the organisation, charting HSC meetings and consultations on international problems within the organisation and if required, makes statements on behalf of the SCO.

Is it about countering the West? The Council on Foreign Relations (CFR) noted in 2015 that decades of rapid economic growth had propelled China onto the world's stage, whereas Russia found itself beset with economic turmoil following the Crimean annexation in 2014 and ejection from the G8 grouping. Most recently, Russia's action in Ukraine

Most recently, Russia's action in Ukraine caused it to be subjected to sanctions on multiple fronts by the West. China, in what could be referred to as 'distance diplomacy', had held that security of one country should



Joint venture: The SCO

calls for joint efforts to maintain and ensure pe

maintain and ensure peace, security and stability in the region; and the establishment of a democratic and rational new international political

order. • AFP

not be at the expense of another country – blaming the West (specifically referring to NATO) for the entire episode. Thus, the organisation spearheaded by both Russia and China does not find its supporters in the West. Moreover, on the proposed induction of Iran, journalist and commentator Nazila Fahi, writing for the Middle East Institute, stated in September 2021 that the country might not see much short-term benefit, however, it would signal closer ties with both

This is essential to be the swith both China and Russia. The Iranian leadership has often stressed that the country must "look to the East". This is essential not only to resist its economic isolation (by addressing the banking and trade problems on account of U.S. sanctions) from the West, but also find strategic allies that would help it to reach a new agreement on the nuclear program. In other words, using its ties with China and Russia as a leverage against the West. Additionally, it would help it strengthen its involvement in Asia.

The same premise applies for Belarus, which lent its support to Russia for its actions in Ukraine. An association with the SCO bodes well for its diplomacy and regional stature.



# EXPLAINER The Pakistan and IMF talks: What lies ahead?

Why was the Extended Fund Facility (EFF) signed between the two? Why is IMF important for Pakistan's economy?

ANKIT SINGH

The story so far: On July 14, the staff-level talks between Pakistan and the International Monetary Fund (IMF) concluded for the seventh and eighth review under Extended Fund Facility (EFF). The talks were originally aimed at releasing a tranche of \$900 million. The talks, which began on March 4, were expected to conclude by March 16; however, it took five months to reach the staff-level agreement. Finally, last week, the IMF team reached an understanding with Pakistan to release \$1.17 billion, subject to the board's approval. This brings the total disbursement under the current EFF to \$4.2 billion so far, to support policy actions under FY 2023 budget, power sector reforms, and monetary policy to restrain inflation. The latest IMF press release maintains it would consider an extension of the current EFF to end June 2023 and ausement the fund amount to \$7 billion.

#### What was the Extended Fund Facility (EFF), and why did the talks take longer to conclude?

Take longer to conclude? The 39-month EFF between the two was signed in July 2019 to provide funds amounting to Self-Drawing Rights (SDR) \$4,268 million. The EFF was signed by Pakistan to address the medium-term balance of payment problem, and work on structural impediments and increase

The IMF placed demands including fiscal consolidation to reduce debt and build resilience, the market-determined exchange rate to restore competitiveness, eliminate 'quasi-fiscal' losses in the energy sector and strengthened institutions with transparency.

The decision to freeze the fuel prices by the then Pakistani President Imran Khan in February 2022 was considered a major deviation under the EFF benchmarks. Mr. Khan's government, that gave tax amnesties to the industrial sector, impacted the tax regime and a structural benchmark for fiscal consolidation. Loans under Kamyab Pakistan Program were another point of contention. The IMF insisted on its demands before approving any release of the tranche.

#### How important is the IMF support to Pakistan? Pakistan's economic situation is dire.

Pakistan's economic situation is dire. According to the Economic Survey of Pakistan 2022, the fiscal deficit in FY 22 was \$18.6 billion, and the net public debt at \$252 billion, which is 66.3% of the GDP. The power sector's circular debt is \$14 billion. According to the State Bank of



Pakistan's latest report, the current account deficit has peaked to \$48.3 billion. The budgeted expenditure outlay for FY 23 states that 41% (\$19 billion) of total expenditure will be used in debt servicing

Servicing. The IMF's support in addressing the above numbers is crucial. According to the latest quarterly report of the Economic Affairs Division, during the financial year 2021-22, the IMF's contribution to the total external debt (of \$9.4 billion), is only \$834 million. However, the IMF's support is not limited to fixing the balance sheet, but validates and provides economic confidence to other multilateral institutions.

#### Why have the Pakistan-IMF relations remained complicated? Will the new government be able to improve the trust deficit?

Structural reforms require long-term commitment, which have been sacrificed due to Pakistan's short-sighted political goals; hence the urge to go to the IMF for fiscal stability has been repeated over time.

time. Pakistan has signed various lending instruments with the IMF, and sought support from IMF around 22 times. However, only once has a programme been completed. Since the 1990s, the IMF has placed specific demands but were addressed by Pakistan in bits and pieces. For example, during the Pakistan People's Party (PPP) rule in 2008, Pakistan was to implement economic reforms, including improvements in tax administration, removal of tax exemptions as well structural reforms. However, successive governments kept domestic political calculations a priority, than the economic reforms.

The action of the second secon

have worked on specific legislations, for example, the State Bank of Pakistan (SBP) amendment act, and the Finance Bill 2022.

### What lies ahead for Pakistan and the

IMF? Despite the latest agreement, the road ahead for the IMF and Pakistan is not an easy one. Political calculations and the elections ahead will play a role in Pakistan's economic devision-making

Pakistan's economic decision-making. In 2019, the Director-General Debt Office of the Ministry of Finance revealed that Pakistan has to pay \$31 billion by 2026. Total public debt as a percentage of gross domestic product is expected to increase further. There is also a narrative that Pakistan has the fifth largest population with nuclear weapons that cannot be allowed to fail. A section within Pakistan also places the geo-strategic location of the

There is also a narrative that Pakistan has the fifth largest population with nuclear weapons that cannot be allowed to fail. A section within Pakistan also places the geo-strategic location of the country would provide an edge for cooperation, rather than coercion. Hence, this section believes, the IMF would continue to support. Given the IMF's increased assertion,

Given the IMF's increased assertion, Pakistan's political calculations and the elections ahead, the relationship between the two is likely to remain complicated.

Ankit Singh is a doctoral scholar at the National Institute of Advanced Studies, Bangalore

# THE GIST

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verge of collapse, but the ruling coalition government continued its efforts to revive the discussions.

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# Russia said to seek Indian oil payments in UAE dirhams

# Bill to one refiner requests settlement in Emirati currency

# REUTERS

NEW DELHI

Russia is seeking payment in United Arab Emirates dirhams for oil exports to some Indian customers, three sources said and a document showed, as Moscow moves away from the U.S. dollar to insulate itself from Western sanctions.

Russia has been hit by a slew of sanctions from the United States and its allies over its invasion of Ukraine in late February.

An invoice seen by Reuters shows the bill for supplying oil to one refiner is calculated in dollars while payment is requested in Emirati dirhams.



Russian oil major Rosneft is pushing crude through trading firms including Everest Energy and Coral Energy into India, now its second biggest oil buyer after China.

Western sanctions have prompted many oil importers to shun Moscow, pushing spot prices for Russian crude to record discounts against other grades. That gave Indian refiners, who rarely bought Russian oil due to high freight costs, an opportunity to bag exports at big discounts to Brent.

# Second-biggest supplier

Moscow replaced Saudi Arabia as the second biggest oil supplier to India after Iraq for the second month in a row in June.

At least two Indian refiners have already settled some payments in dirhams, the sources said, adding more would make such payments in coming days.

The RBI last week enabled trade settlement in rupees.

# Cart before the horse Police should not arrest first and then fish

for a possible offence

wo recent pronouncements, one a judicial order and another a public speech by the Chief Justice of India (CJI), have drawn attention to the manner in which bail law operates in the country. While the Supreme Court, in Satender Kumar Antil vs CBI, has sought to expand the scope for the grant of early bail to those arrested without sufficient cause, the CII, N.V. Ramana, has bemoaned the injury to personal liberty caused by hasty arrests, hurdles in the way of releasing suspects on bail and the prolonged incarceration of those under trial. The expressions of concern are a timely reminder to regimes that have been using their police powers to crack down on critics, activists and those not politically aligned with them. However, there is an irony in courts batting for personal liberty and lamenting indiscriminate arrests on the one hand, but routinely denying bail or postponing bail hearings on the other. Nevertheless, the verdict reiterating the major principles in favour of granting bail and laying down constructive guidelines for arrest is quite valuable. For instance, the Bench has called for standing orders to adhere to the Arnesh Kumar (2014) principles, based on Sections 41 and 41A of the Code of Criminal Procedure under which a police officer is required to record reasons for arresting an accused and is expected to issue a notice of appearance in cases involving offences that attract a prison term of less than seven years.

The verdict has other positive aspects: setting time limits for the disposal of bail and anticipatory bail applications and underscoring that an arrest must be made only when actually required, or to prevent the accused from fleeing justice or tampering with evidence. In an interesting contribution, the Bench has mooted a separate 'Bail Act' on the lines of the one in the United Kingdom to streamline the bail process. It is indeed true that despite the basics of bail law being quite known, especially that bail is the rule, and its denial the exception, there are glaring inconsistencies over who gets bail, who is denied it and at what stage it is given. A separate law may provide a common reference point, but whether it will put an end to the country's unstated rule, 'show me the man, and I will show you the law', will ever fade away. The state of the magistracy also requires an overhaul. Magistrates seem conditioned to authorising mechanical remand whenever someone is produced before them, and to decline bail as soon as the prosecutor opposes it. Therefore, it is indeed welcome that the Court has made it clear that bail can be considered even without a formal application at the stage of production before the court, or when a person responds to a summons or warrant. More than the law, the police must first put an end to the practice of reflexively arresting first and then fishing for a possible offence.

# Minority status in India is State-dependent, says SC

# Minorities can claim protection under Articles 29 and 30

# KRISHNADAS RAJAGOPAL NEW DELHI

Every person in India can be a minority in one State or the other. Minority status of religious and linguistic communities is "State-dependent", the Supreme Court said on Monday.

"Every person in this country can be a minority. I can be a minority outside my State, Maharashtra. Similarly, a Kannada-speaking person may be in minority in States other than Karnataka... Every person in this country can answer this description," Justice U.U. Lalit said. The court was hearing a petition filed by a Mathura resident, Devkinandan Thakur, complaining that followers of Judaism, Bahaism and Hinduism, who are the real minorities in Ladakh, Mizoram, Lakshadweep, Kash-



mir, Nagaland, Meghalaya, Arunachal Pradesh, Punjab and Manipur, cannot establish and administer educational institutions of their choice because of non-identification of 'minority' at the State level.

But the court indicated that a religious or linguistic community which is a minority in a particular State, can inherently claim protection and the right to administer and run its own educational institutions under Articles 29 and 30 of the Constitution. The court asked whether a specific notification was required.

This question from the Bench came in response to submissions made by senior advocate Arvind Datar, for Mr. Thakur, that Hindus residing in certain States were unable to exercise their rights under Articles 29 and 30 in the absence of a specific notification declaring them a minority.

The petition has argued that the recognition of Muslims, Christians, Sikhs, Buddhists and Parsis nationally by the Centre as 'minorities' ignored the fact that religious communities such as Hindus were "socially, economically, politically nondominant and numerically inferior" in several States.

The court listed the case for hearing after two weeks.



# Approach Monsoon Session with 'open mind', says Modi

'Be mindful of responsibilities to uphold dignity of House'

SPECIAL CORRESPONDENT NEW DELHI

Prime Minister Narendra Modi said on Monday that he considered Parliament a space for discussions with an open mind and urged all MPs to approach issues with the same attitude, and in many cases, debate them to make the Monsoon Session a fruitful and productive one.

Addressing the media ahead of the start of the session, Mr. Modi termed the current session "crucial" as it would see the election of a new President and Vice-President of India, that too in the year that the country celebrated 75 years of Independence.

"We always consider the

# Parliament functions and takes best decisions with everyone's efforts

NARENDRA MODI Prime Minister

House to be an efficient medium of communication, where there is an open hearted dialogue, debate, criticism that is well analysed so that positive contribution can be made to policy decisions," he said.

He said that all MPs should be mindful of their responsibilities to uphold the dignity of the House. "Parliament functions and takes best decisions with everyone's *'prayaas'* [efforts]," the Prime Minister said.

He also asked Opposition party MPs to analyse closely issues and debates around them to come up with constructive contribution to policy-making.

He said the current year was crucial, as it would set the tone for the next 25 years leading up to the centenary year of Independence, a milestone that should be marked with progress.

The Prime Minister invoked the freedom fighters who gave up their lives, and also those who spent their lives in prison, appealing to the MPs to keep their dreams in mind.

# Parliament adjourned on first day amid protests

The Opposition wanted discussion on inflation, Agnipath and GST on new items during the session

# VIJAITA SINGH

Both the Houses of Parliament witnessed adjournment on first day of the Monsoon Session as Opposition protested price rise, the Agnipath scheme and the imposition of Goods and Services Tax on items such as packaged milk and rice.

The Rajya Sabha was adjourned within an hour after it assembled at 11 a.m. Monday. The disruption in the Rajya Sabha came a day after Chairman M. Venkaiah Naidu sought the cooperation of the floor leaders for a productive session as his farewell gift.

Mr. Naidu who is presiding over the last session of his tenure that will come to an end on August 10, said that 57% proceedings were



Opposition members staging a protest in the well of the Lok Sabha during Monsoon Session of Parliament on Monday. • PTI

either fully or partly disrupted during this period.

He urged the members to rise to address the demands of the next 25 years of '*Amrit Kaal*' by the end of which the country's population is set to increase by another 20 crores. Several Opposition members had given an adjournment notice in the Upper House to discuss inflation and Agnipath scheme.

Aam Aadmi Party (AAP) members demanded that Prime Minister Narendra Modi come to the House and answer their concerns against growing autocracy.

As many as 28 new members were also sworn in to the Upper House.

## Lok Sabha session

Lok Sabha was adjourned for the day after it witnessed a disruption because of Opposition protests over the issue of price rise and Agnipath scheme. Opposition members trooped to the well of the House as Lok Sabha convened for the afternoon session at 2 p.m.

BJP member Rajendra Agarwal, who was in the chair, allowed laying of parliamentary papers on the table of the House during which Union Law Minister Kiren Rijiju introduced a Bill to amend the law pertaining to Family Courts. As Opposition members started raising slogans, Mr. Agarwal adjourned the proceedings for the day. The day started with obituary references and new members taking oath.

Prime Minister Narendra Modi, Congress President Sonia Gandhi, Defence Minister Rajnath Singh, Union Home Minister Amit Shah and Congress leader of the House Adhir Ranjan Chowdhury were among those present in the House. Congress MPs are likely to sit on a dharna in front of the Mahatma Gandhi statue in Parliament complex on Tuesday against price rise before the day's proceeding begin.

On Monday, Ms. Gandhi held a strategy meeting of the party MPs.

(With inputs from Sandeep Phukan)



# Dhankhar files papers for V-P polls

Will always strive to enhance democratic values of the country, he says

# SPECIAL CORRESPONDENT NEW DELHI

National Democratic Alliance (NDA) Vice-Presidential candidate Jagdeep Dhankhar said on Monday that he would "always strive to enhance democratic values of the country". He filed nomination papers for the election, in the presence of Prime Minister Narendra Modi and leaders of various parties supporting his bid.

# Thanks Modi

"Never even in my dreams did I think a person with a humble background like me would get this opportunity. I



Prime Minister Narendra Modi with Jagdeep Dhankhar and Rajnath Singh during filing of nomination papers. • PTI

am grateful to Prime Minister Modi and the leadership for giving a humble man from a *kisan* (farmer) family, like me, such a historic opportunity," he added. Union Ministers Amit Shah and Rajnath Singh; BJP president J. P. Nadda; Janata Dal(U) chief Lalan Singh; Union Ministers Anupriya Patel, Pashupati Nath Paras and Ramdas Athawale; and the Biju Janata Dal's Pinaki Misra were present when the former West Bengal Governor filed his papers for the election in which his win is all but certain.

Sources confirm that while four sets of nomination papers were made ready, only one set was filed, with Mr. Modi as the first proposer for Mr. Dhankhar.

The Opposition has named Margaret Alva as its candidate for the Vice-Presidential election scheduled for August 6.



# 'Govt., RBI measures aid NPA recovery'

PRESS TRUST OF INDIA

Concrete steps taken by the government and RBI helped banks recover bad loans worth more than ₹8.6 lakh crore in the last eight fiscal years, the Centre informed Parliament on Monday.

Minister of State for Finance Bhagwat Karad in a written reply to the Lok Sabha said the occurrence of non-performing assets (NPAs) was normal, although an undesirable corollary, to the business of banking. Factors such as macroeconomic conditions, sectoral issues, global business environment and delayed stress recognition by banks, contributed to NPA build-up, he added.



# GST compensation dues now total ₹35,266 crore

Dues to States pertain to June 2022

# SPECIAL CORRESPONDENT NEW DELHI

Outstanding Goods and Services Tax (GST) Compensation dues to States now amount to ₹35,266 crore, the Finance Ministry told Parliament on Monday.

These dues pertain to June 2022, the last month for which States were assured a certain level of revenue in order to switch to the GST regime, and would be paid from GST Compensation Cess collections, whose levy has been extended till March 2026.

Maharashtra, Karnataka, Tamil Nadu, Uttar Pradesh, Delhi and Gujarat had the maximum outstanding GST compensation dues as per provisional figures for June. The dues for these six States add up to ₹17,668 crore.



Pankaj Chaudhary

"Entire GST compensation dues of States and UTs has been cleared by Central Government for period up to May 31, 2022, by releasing ₹86,912 crore," Minister of State for Finance Pankaj Chaudhary said in a written reply in the Lok Sabha. "This decision has been taken despite the fact that only about ₹25,000 crore was available in the GST Compensation Fund," he noted.

# Panel on MSP, natural farming set up

Samyukt Kisan Morcha says it will decide soon on the government's offer to be part of the committee

SPECIAL CORRESPONDENT NEW DELHI

The Centre has finally constituted a committee headed by former Union Agriculture Secretary Sanjay Agrawal here on Monday to look into the issue of minimum support price (MSP) for agricultural produce, as promised to the Samyukt Kisan Morcha (SKM) earlier in January. The panel has three unfilled posts for representatives of the SKM, which will be filled as and when the Centre receives the recommendations from the umbrella body of farmers.

Prime Minister Narendra Modi had said while announcing the decision to repeal the three farm laws that a committee would be con-



Workers planting seedlings in a paddy field on the outskirts of Vijayawada on Monday. • G.N. RAO

stituted to promote zero budget-based farming, to change crop patterns keeping in mind the changing needs of the country, and to make the MSP more effective and transparent. He had said the committee would consist of representatives of the Central and State governments, farmers, agricultural scientists and agricultural economists.

Apart from Mr. Agrawal, NITI Aayog Member (Agriculture) Ramesh Chand; agri-

cultural economists C.S.C. Shekhar and Sukhpal Singh; award-winning farmer Bharat Bhushan Tyagi; members from farmer organisations Gunwant Patil, Krishnaveer Choudhary, Pramod Kumar Choudhary, Gumi Prakash and Sayyed Pasha Patel; IFF-CO chairman Dilip Sanghani; CNRI general secretary Binod Anand; senior member of the CACP Naveen P. Singh; and agriculture experts P. Chandrashekhar, J.P. Sharma and Pradeep Kumar Bisen will be members of the panel.

The Secretaries of the Departments of Agriculture and Farmers Welfare, Agricultural Research and Education, Food and Public Distribution, Cooperation and Textiles and the Director-General, ICAR will represent the Centre on the panel. The member-secretary of the panel will be Joint Secretary (Crops).

SKM leader Hannan Mollah said it would take a decision on the government's offer to be part of the committee soon. "At the moment, we are holding nationwide protests against the policies of the Centre. We do not know the brief given to this committee," he said.

The "subject matter of constitution" of the committee, according to a gazette notification, include suggestions to make MSP available to farmers by making the systems more effective and transparent.



# India's climate imperative

For public pressure to drive climate action, we need to consider climate catastrophes as largely man-made



In the absence of COVID-19, climate changeinduced disasters would have been India's biggest red alert in recent years. The heatwave that scorched Rajasthan, Uttar Pradesh, Gujarat, and New Delhi this year; torrential downpours in south India in 2021; and the super cyclone Amphan that battered West Bengal and Odisha in 2020 are symbols of man-made climate change. But India, like elsewhere, still attributes these catastrophes to the wrath of mother nature rather than anthropogenic global warming.

Temperatures over the Indian Ocean have risen by over 1°C since the 1950s, increasing extreme weather events. India is the fourth worst-hit in climate migration. Heat waves in India have claimed an estimated 17,000 lives since the 1970s. Labour losses from rising heat, by one estimate, could reach ₹1.6 lakh crore annually if global warming exceeds 2°C, with India among the hardest hit. India needs a two-part approach: one, to adapt to climate impacts by building resilience against weather extremes, and two, to mitigate environmental destruction to prevent climate change from becoming more lethal.

### **Climate resilience**

Extreme heat waves hit swathes of India. Heatwaves are aggravated by deforestation and land degradation, which also exacerbate fires. Agriculture, being water-intensive, does not do well in heat wave-prone areas. A solution is to promote agricultural practices which are not water-intensive and to support afforestation that has a salutary effect on warming. Financial transfers can be targeted to help farmers plant trees and buy equipment – for example, for drip irrigation that reduces heavy water usage. Insurance schemes can transfer some of the risks of extreme heat faced by industrial, construction and agricultural workers to insurers.

Climate-resilient agriculture calls for diversification – for example, the cultivation of multiple crops on the same farm. There will need to be more localised food production. Weather-based crop insurance would help.

Floods and storms are worsened by vast sea ingress and coastline erosion in the lowlying areas in the south. Southern States need stronger guidelines to avoid construction in locations with drainages. It is vital to map flood-risk zones to manage vulnerable regions. Environment Impact Assessments must be mandatory for commercial projects.

Kerala has some flood-resistant houses constructed on pillars. Communities can build round-shaped houses, considering optimum aerodynamic orientation to reduce the strength of the winds. Roofs with multiple slopes can stand well in strong winds, and central shafts reduce wind pressure on the roof by sucking in air from outside.

### Arresting runaway climate change

Adaptation alone will not slow climate damages if the warming of the sea level temperatures is not confronted. Leading emitters, including India, must move away from fossil fuels. But climate mitigation everywhere is painfully slow, because of a lack of political will. India has made slow progress in choosing 2070 as its target for net zero emissions.

Meanwhile, a big part of climate action lies in protecting and expanding forest coverage. Regulation needs to be tightened and enforced to ensure forest protection while acquiring land. India gains from being part of the Glasgow declaration on forest protection that 141 countries signed in 2021.

Management of dams can exacerbate glacier lake outbursts and floods. Nearly 295 dams in India are more than 100 years old and need repairs. In stemming landslides in Uttarakhand, regulations must stop the building of dams on steep slopes and eco-fragile areas, as well as the dynamiting of hills, sand mining, and quarrying. Dams in the southern States can moderate floods, but only if operated year-round to anticipate the need to control flows during floods.

India's share in disaster management should be raised to 2.5% of GDP. Climate finance is most suited for large-scale global funding from the World Bank, the International Monetary Fund, and the Asian Development Bank. But smaller-scale financing can also be vital: the World Food Programme's funding for Nepal and Bhutan for community-based adaptation and agricultural resilience for vulnerable communities provides an interesting model.

States can tap into the Union government's resources, financial and technological, from early warning meteorological systems to centrally sponsored climate schemes. MGNREGA funds can be used for climate adaptation in agriculture, waste management and livelihoods. States could make compensatory payment to local selfgovernment resources being used for climate adaptation. For public pressure to drive climate action, we need to consider climate catastrophes as largely man-made.

Vinod Thomas is Visiting Professor, National University of Singapore. Twitter: @vthomas14



# Stalemate in India-China talk continues

China refuses to discuss Demchok and Depsang as India pushes for a comprehensive disengagement

# DINAKAR PERI

The stalemate in the talks between India and China to end the stand-off in eastern Ladakh continues with no breakthrough in the 16th round of Corps Commander talks held on Sunday. In the interim, the two sides agreed to maintain the "security and stability" on the ground in the Western Sector along the Line of Actual Control (LAC), a joint statement issued late on Monday said.

## Talks for 12 hours

"The two sides agreed to stay in close contact and maintain dialogue through military and diplomatic channels and work out a mutually acceptable resolution of the remaining issues at the earliest," the statement said.

The talks held at the Chushul-Moldo border meet-



Talks under way: India and China have agreed to stay in close contact and maintain dialogue. • PTI

ing point on the Indian side lasted for over 12 hours.

Building on the progress made at the last meeting on March 11, 2022, the two sides continued discussions for the resolution of the relevant issues along the LAC in the Western Sector in a "constructive and forward looking manner".

**Frank exchange of views** Stating that they had a frank and in-depth exchange of views in this regard, in keeping with the guidance provided by the State leaders to work for the resolution of the remaining issues at the earliest, the statement added: "The two sides reaffirmed that the resolution of remaining issues would help in restoration of peace and tranquillity along the LAC in the Western Sector and enable progress in bilateral relations."

While an agreement for disengagement from Patrolling Point-15 was close by in the last few rounds of talks, China's refusal to discuss other friction areas, Demchok and Depsang, maintaining that they are not part of the current stand-off, has stalled any progress.

India has been insisting on comprehensive disengagement and de-escalation to end the ongoing standoff in eastern Ladakh.

## 15 rounds of talks

Since the stand-off began in May 2020, the two sides have so far held 15 rounds of senior military commander talks with disengagement undertaken from both sides of Pangong Tso in February 2021, and from PP 17 in the Gogra-Hot Springs area in August, in addition to Galwan in 2020 after the violent clash. The 15th round of Corps Commander talks took place on March 11, 2022.

Shortly after the 15th round of talks in March, Chinese Foreign Minister Wang Yi had visited India.

# Foreign Ministers' meet

Also, he and India's Foreign Minister S. Jaishankar met last week on the sidelines of the G-20 foreign ministers meeting in Bali in Indonesia where they discussed the situation along LAC.

Over 50,000 troops and heavy equipment continue to be deployed on both sides, close to the LAC. In the last two years, China has also undertaken massive construction of infrastructure, habitat and support structures to maintain the troops close to the LAC, altering the ground status.

DAILY NEWS ANALYSIS

	General Studies Paper I		
History of Indian culture will cover the salient aspects of art forms, literature and architecture f			
Α	ancient to modern times;		
	Modern Indian history from about the middle of the eighteenth century until the present-significant		
В	events, personalities, issues;		
	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		
Г	society		
G	Salient features of Indian Society, Diversity of India;		
Н	Effects of globalization on Indian society;		
Ι	Role of women and women's organization;		
J	Social empowerment, communalism, regionalism & secularism		
Κ	Salient features of world's physical geography;		
	Geographical features and their location- changes in critical geographical features (including water		
L	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.		
Ν	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);		
P	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.		
E	Indian Constitution, historical underpinnings, evolution, features, amendments, significant provisions and basic structure;		
F	Comparison of the Indian Constitutional scheme with other countries;		
Г	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;		
	Parliament and State Legislatures - structure, functioning, conduct of business, powers & privileges		
н	and issues arising out of these;		
	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;
Ν	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
А	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.
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;
К	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;
Ν	
0	Developments and their applications and effects in everyday life;
	Developments and their applications and effects in everyday life; Issues relating to intellectual property rights
P	
	Issues relating to intellectual property rights
Ρ	Issues relating to intellectual property rights Conservation, environmental pollution and degradation, environmental impact assessment
P Q	Issues relating to intellectual property rights Conservation, environmental pollution and degradation, environmental impact assessment Disaster and disaster management Challenges to internal security through communication networks, role of media and social



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;		
X	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.		
Е	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.		
Ι	Emotional intelligence-concepts, and their utilities and application in administration and governance.		
J	Contributions of moral thinkers and philosophers from India and world.		
К	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		
Ν	sources of ethical guidance;		
0	Accountability and ethical governance; strengthening of ethical and moral values in governance; ethical issues in international relations and funding;		
Ρ	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.		