



The endgame

Guarantees for the 'bad bank' may help, but not suffice to fix lenders' woes

The Government has offered a sovereign guarantee to help the new 'bad bank', proposed in this year's Budget, extract better value from non-performing loans worth ₹2-lakh crore in the banking system. To begin with, the National Asset Reconstruction Company Limited (NARCL) will pitch to take over toxic assets worth ₹90,000 crore that banks have already fully provided for. It will offer a certain value to the lead bank for troubled loans of over ₹500 crore, and pay 15% upfront in cash, and issue the balance as tradable security receipts. The bad bank will then rope in a separate asset manager being incorporated – the India Debt Resolution Company Ltd. (IDRCL) – to add value to the ailing asset, and resolve it as a 'going concern' or liquidate it. The guarantee, worth ₹30,600 crore over five years, can only be invoked once an asset is resolved and will cover any shortfall between the face value of the security receipts issued by the NARCL and the actual amount realised from a bad loan. The guarantee fee will be increased each year as a nudge for NARCL and the IDRCL to speed up resolution. After losing precious time dithering over its pros and cons, the Government now believes this approach will be more expeditious to fix the substantial NPAs that persist despite the existing debt recovery mechanisms including the Insolvency and Bankruptcy Code. Terming banks' high provisioning for legacy loans a 'unique opportunity', the Centre thinks NARCL will also help free up bank personnel to focus on faltering credit growth and spur the economy.

To the extent that the NARCL and IDRCL managements will streamline decisions once a loan is taken over, instead of seeking consensus among multiple lenders as the IBC entails, the idea holds some weight. But banks have already provided for these loans, so this is perhaps a tardy gambit and may not work in jump-starting credit flows unless accompanied by their recapitalisation. On the likelihood of the guarantee being invoked, the Finance Ministry has said once the assets are pooled together, 'it is reasonable to expect' that many of them will realise more value than NARCL's acquisition cost. This may be a tad optimistic. As the Finance Minister herself said, 28 existing private ARCs are hesitant about taking a job at extracting value from these bad loans, perhaps owing to their size. That begs the question about the calibre of professionals NARCL and the IDRCL would need to outdo private players. The new entities' ability to get a few good men to deliver more bang for sunk capital would be critical, as would structures to pre-empt a moral hazard that the guarantee poses (of not bothering too much about final realisation value). This self-proclaimed endgame of India's bad loans crisis needs sustained attention for a satisfactory culmination.

Done and dusted

The NRC process needs closure, not another reboot

While there may have been lulls aplenty, the next twist or turn in the long-running saga of the National Register of Citizens (NRC) update for Assam is never far. The latest seeks to imbue a sense of finality to the exercise, though it has come from what is only a quasi-judicial body. A Foreigners' Tribunal (FT) in Karimganj district of southern Assam, while removing the ambiguity around a man's citizenship, has pronounced that there is no doubt that the NRC published on August 31, 2019, is the final one. The exercise left out over 1.9 million from a list of around 33 million applicants, whose citizenship would be determined at the FTs. The entire updating process was monitored by the Supreme Court and executed by the State's administrative machinery. Unsurprisingly, its publication annoyed political parties across the ideological divide, with some alleging it victimised document-less Bengali Hindus and indigenous Assamese people and others that it targeted the State's Bengali-origin Muslims. In the run-up to the publication of the final document, Assam and the Centre had petitioned the Supreme Court for re-verification of a sample of names included in the draft NRC – 20% in the border districts and 10% elsewhere – but this was dismissed after Prateek Hajela, the State NRC Coordinator, said re-verification of 27% names had been already done. In May this year, the State NRC authority, now led by Hitesh Dev Sarma, filed a petition in Supreme Court seeking re-verification of the August 31, 2019 list, citing inclusion of ineligible names and exclusion of eligible ones, and other errors. Assam Chief Minister Himanta Biswa Sarma is already on record as having said the State government wants 20% re-verification in the districts bordering Bangladesh and 10% in others.

The crux of the matter is that post-publication progress on the NRC has been excruciatingly slow, and not just due to the pandemic. The new NRC Coordinator's petition is still pending, as is another by the Jamiat Ulama-e-Hind. More crucially, on the execution side, the issuance of rejection slips to those left out of the NRC has not begun, a necessary step to file appeals in the FTs. Another iteration of the NRC, whether led by the judiciary or the executive, would rely on the same administrative set-up. The system has demonstrated dynamism: the list of excluded in the NRC draft released in July 2018 was nearly 4 million, an additional list in June 2019 left out 1,00,000 more, but the final draft absorbed 2.2 million of those. While a Registrar General of India notification has not conferred the stamp of legality on the NRC yet, that, along with kick-starting the appeals process, is perhaps the most prudent path ahead. Mounting another gargantuan exercise at a colossal cost may only yield a new set of discontents.

A simmering mistrust that should not boil over

The seeds of communal discontent threatening to affect the social fabric of Kerala today were sown about a decade ago



ANAND KOCHUKUDY

In the 1990s and early 2000s, it was a common sight to see churches being dismantled to be replaced with brand new structures in Kerala. Most of these churches belonged to the Catholic Church, specifically the Syro-Malabar rite, forming a sizeable chunk of the Christian population in the State. The ostensible reason for these large-scale demolitions was the space constraints in the aged-old structures, but a more immediate reason was the kind of money coming in as donations and charity from the laity, growing prosperous on the back of a spike in prices of rubber among other cash crops. Towns with sizeable Catholic population in Kottayam district such as Pala and Kanjirappally would see a huge offtake of the newly-launched cars back then. The era of prosperity, however, was short-lived as the Association of Southeast Asian Nations (ASEAN)-India free trade agreement and other factors caused the prices of rubber and other cash crops to nosedive.

A turning point

With the community's collective bargaining power on the wane, its focus gradually shifted to the Muslim community's newfound affluence on the back of West Asian remittances. The seeds of mistrust threatening to rip apart the social fabric of Kerala today were sown about a decade ago. There were allusions to 'Love-Jihad' from the clergy even then, but it remained confined to catechism classes or drawing room conversations. The

assault, in 2010, on Professor T.J. Joseph, whose palms were chopped off by Popular Front of India (PFI) extremists proved to be a seminal event, despite the Church going on the defensive and even victimising the professor in its aftermath. The fallout of this incident was contained by the swift intervention of civil society; yet, in hindsight, this was probably the point when Islamophobia began to take root among Christians in Central Travancore. The Assembly election in 2011 saw the Congress-led United Democratic Front (UDF) coming back to power but it also saw the eclipsing of the Church-backed Kerala Congress by the Indian Union Muslim League (IUML) in the power structure – contributing to the churning.

Political change, world events

When the Narendra Modi-led Bharatiya Janata Party (BJP) came to power in New Delhi in 2014, the Sangh Parivar saw an opportunity in closing ranks with the Christian community to reverse its electoral fortunes in Kerala. By 2016, as the Islamic State (IS) gained prominence, 21 Keralites – some Christian and Hindu converts among them – who had gone missing were traced to the terrorist outfit, sparking further anxiety within the Church. A spate of anti-Muslim propaganda began to circulate within Christian family networks and social media groups around that period.

A stray remark of State police chief T.P. Senkumar, who would later join the BJP, of Muslim 'live births' overtaking Hindus in the State, laced with communal overtones, and the connection of the Popular Front of India (PFI)-backed 'Sathya Sarani' to the case of Akhila alias Hadiya, a young Hindu woman who converted to Islam and married a Muslim youth, further queered the pitch.



This phase saw a gradual increase in engagement between Christian bishops and BJP leaders in the Centre, facilitated by Minister of State K.J. Alphons. Those days it was assumed that the Church was cosying up to the BJP only to protect its interests in the wake of the central government's crackdown on non-governmental organisations (NGOs) over the Foreign Contribution (Regulation) Act (FCRA).

Gradual mainstreaming

The growing Islamophobia among the Catholics which was limited to the realms of social media got mainstreamed around the 2019 Easter bombings in Sri Lanka, sparking off a hate-campaign against Muslims. People who were otherwise reticent to speak in sectarian lines were emboldened by the clergy who were beginning to speak like community leaders rather than spiritual figures. There were growing concerns over the Muslim community in Kerala being collectively classified as Other Backward Classes (OBC) and coming under specific minority scholarship schemes.

The onset of COVID-19 led to people participating in Holy Mass online which essentially meant that what was limited to a church gathering was now open to everyone's scrutiny. The Syro-Malabar Church-backed Shekinah TV became the go-to platform for the laity but regular content on such channels was often rabble-rousing. The Old Testament was being quoted more regularly in churches

and given more emphasis than the gospel, a reflection of conservatism.

Communal polemic

An article on the reopening of the historic Hagia Sophia in Turkey as a mosque by the Congress-ally IUML's Syed Sadiq Ali Shihab Thangal in the party mouthpiece, *Chandrika*, on the eve of the Kerala local body elections as well as the IUML's decision to have an electoral understanding with the Jamaat-e-Islami caused a furore and saw a major Christian vote shift away from the UDF to the Left Front. In fact, the Communist Party of India (Marxist) very effectively utilised the situation to its advantage by feeding off the insecurities of the Church in central Travancore while playing up the Citizenship (Amendment) Act in Malabar to secure Muslim votes. The Assembly election that followed saw the communal polemic in full swing, but it was the Left Front rather than the BJP which benefited once again from the Christian-Muslim divide.

Of late, the Church and a section of the laity have been quick to latch on to any development abroad, including the march of the Taliban in Afghanistan, but they inexplicably kept mum on the institutional murder of Stan Swamy. The Church's steady engagement with the Sangh Parivar was driven home by a meeting of Ram Madhav with Bishop Emeritus Mathew Arackal recently.

A couple of months ago, the Pala diocese headed by Joseph Kallarangatt issued a circular announcing financial support and other benefits for Christian couples with five or more children in a bid to encourage larger families. The move was reflective of the Church's concerns over the dwindling numbers of the community as a proportion of the total population of the State

as well as in absolute numbers. An unwieldy controversy over the naming of a film – *Eesho* (Jesus) – helmed by a Muslim as late as last month indicated the level of mistrust prevalent between both communities.

Not much traction

The sweeping 'narcotic-jihad' remark of Bishop Kallarangatt during his service at a church in Kuravilangad in Kottayam district on September 9 proved to be the last straw. That a theologian of Bishop Kallarangatt's standing would resort to such language was difficult to comprehend but it is instructive of the kind of radical turn the Syro-Malabar Church has taken lately. Nonetheless it is significant that Bishop Kallarangatt did not get the backing of the Malankara and Latin Catholic rites. It is also telling that the fellow Saint Thomas Churches – Mar Thoma, Jacobite and Orthodox factions – and the protestant Church of South India Church have come out openly against the remark. While the Congress and the CPI(M) disapproved of the remark, a State BJP office-bearer wrote to Home Minister Amit Shah seeking 'protection' for the Pala bishop, seeking to make the most of it.

There have been demands that Kerala Chief Minister Pinarayi Vijayan intervene to diffuse the situation rather than play safe but it is unclear how the simmering discontent within the Christian community could be addressed in the long term. The suspicion and distrust prevailing between the Syro-Malabar Church and Muslims would take more than a patch-up to heal and would probably require a Pope Francis-like figure to initiate reconciliation.

Anand Kochukudy is a Kerala-based journalist and former editor of *The Kochi Post*

'Fund and faculty' count in higher education rankings

The new edition of the National Institutional Ranking Framework highlights the huge gap between the best and the rest



FURQAN QAMAR

The sixth edition of the National Institutional Ranking Framework (NIRF) for higher education was released by the Union Minister of Education on September 9, 2021 (<https://bit.ly/2XyL4k0>). Jubilant are those that have made it to the top 100 or have improved their rankings or scores by a few notches. Downcast are those that have slid in rank or score but are still upbeat as they are in the coveted list. Disheartened, they must already be busy finding out their faults. Those with no rank may be ready with their excuses and commitment to do better next year. Since the NIRF ranks only the top 100, an estimated 935 universities, in any case, are bound to remain shut out. Each higher educational institution in the country undergoes the trauma of hope and despair a few times a year when the Academic Ranking of World Universities (ARWU), Times Higher Education (THE) and Quacquarelli Symonds (QS) rankings are published. Ranking may offer many advan-

tages. Its signalling effect may help students, faculty, and prospective employer, respectively, to help them choose institutions for admission, to enhance chances for securing research funding, and target campuses for hirings. It may promote competition among institutions, which in turn leads to an overall improvement in their quality. As in present policy, ranking leads to privileges such as getting autonomy, power to offer open and distance mode programmes, and permission to enter into collaboration with foreign universities.

The most useful purpose that the ranking can serve – but ignored so far – is to identify areas of improvement and then proactively to work to overcome those deficiencies and thus ensure quality and promote excellence. This would mitigate the huge difference that presently exists between the best and the rest of the Higher Education Institutions. After all, no nation can afford a few 'islands of excellence surrounded by the sea of mediocrity', condemning them to eternal inferiority.

Basis of metrics

Universities ought to offer quality dissemination of knowledge, skill and application orientation, but to attain excellence, they must make a seminal contribution in re-



search, publications, patents and innovations. Since performance of universities cannot be measured by a single indicator, they are assessed, and ranked on a metric of measures. Most give considerable weightage to research output, quality and impact thereof. The ARWU ranks universities solely on the basis of their research performance whereas THE and QS, respectively, accord 60% and 20% weightage to research. Following the trend, NIRF accords 30% weightage to Research Performance and Professional Practices (RPP).

This, in turn, is measured through the combined metric of publications (PU, 35%), combined metric of quality of publications (QP, 35%), IPR and patent (IPR, 15%) and Footprint of Projects and Professional Practice (FPPP, 15%).

Analysed in this context, even the top 100 universities in NIRF, present a very disquieting trend

which warrants urgent attention. The NIRF 2020 ranking (<https://bit.ly/3zpkC9F>) reveals that the best university in the country scored 92.16% on research performance. The score drastically declined to 60.52% for the 10th best university. Going further down, the 20th and the 50th best universities, respectively, scored 50.32% and 28.69%. In the case of the 100th best university, the RPP declined to as low as 4.35%. It is not difficult to guess the state of affairs of the remaining 935 universities in the country.

On salaries and research

NIRF does not disclose data on the total number of teachers but amongst a few statistics that it reports includes the total expenditure on salaries of teaching and non-teaching staff bunched together and the total number of PhD students enrolled in each of the ranked universities. Using the above two as proxy for the size of a university in terms of the faculty members and research staff, they were transposed against the Research and Professional Practice (RPP) ranks grouped in 10 categories.

The data disclose in no uncertain terms that on an average, the higher the expenditure on salaries of the staff, the higher is the ranking of the university. For example,

the average annual expenditure on salaries for the top 10 universities works out to be ₹391.72 crore. As against this, the universities ranked between 41-50 were found to be spending only ₹119.64 crore on salaries. Expectedly, those ranked at the bottom between 91-100, spent only ₹79.26 crore. So is the case with regard to the research scholars. Data discerns that the top 10 universities in NIRF had an average of 2,627 research scholars, whereas those ranked between 41-50 had only 1,036 PhD students on the rolls. Reinforcing the trend, the universities ranked in the bottom 10 had no more than 165 research scholars. The larger the number of research scholars, the higher the ranks of the universities in terms of RPP. What was already known intuitively is now proven by the data.

To conclude, the fund and the faculty, the two most neglected areas, are critical not only for research performance but also for the overall ranking, as the two bear a high degree of positive correlation.

Furqan Qamar, a Professor in finance at Jamia Millia Islamia, is a former Secretary General of the Association of Indian Universities (AIU) and also a former Vice-Chancellor of the Central University of Himachal Pradesh and the University of Rajasthan

LETTERS TO THE EDITOR

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

Punjab developments

The appointment of Charanjit Singh Channi as the new Chief Minister in Punjab can only be construed to be a last ditch gamble by the Grand Old Party of India to retain power in the State (Page 1, "Punjab gets its first Dalit Chief Minister Charanjit Channi", September 20). Rather than being a genuine step towards ensuring the uplift of the downtrodden community, it is glaring and obvious that this is a desperate attempt to use caste and identity politics. The withering away of dynamic leaders such as Jyotiraditya Scindia, Jitin Prasada and Captain Amarinder Singh reflects the sorry state of affairs within the party. The decline of the once majestic Indian National Congress can be attributed to its total disconnect with the grassroots coupled with its

wilful reluctance to look beyond dynastic politics.

B. SURESH KUMAR,
Coimbatore

■ When a sitting Chief Minister and one of the senior most party members, submits his resignation just months before a crucial State Assembly election saying that he has been humiliated a few times by his own party, there is certainly something very wrong happening within the Congress central leadership. We have had similar crises handled poorly in other Congress-ruled States too.

A. MOHAN,
Chennai

■ The unceremonious exit of Capt. Amarinder was a foregone conclusion; a classic case of the Congress rocking its own boat. Punjab was the only Congress-ruled State where the state of affairs seemed pretty good.

The ham-handed approach has changed the situation.

DEEPAK SINGHAL,
Noida, Uttar Pradesh

■ It is odd that the party is acting irresponsibly by showing a veteran the door. More shocking is that he has been slighted in deference to the wishes of a novice in politics. The consistently inconsistent and quixotic decisions by the party's leadership make one wonder where the party is headed.

THARCIUS S. FERNANDO,
Chennai

■ A real leader is one who can carry all other leaders and interests along while binding them to the ideology of the party. I think Captain Amarinder Singh failed parts of this test. No leader however tall he or she may be can insist that he is entitled to ruler for ever. If Capt. Amarinder is really interested in the welfare of

his State, he should work with Mr. Channi.

C.K. SASEENDRAN,
Bengaluru

■ To many readers, the overlap of caste and religion in Indian politics has grown into a sort of mental discomfort. Politicians have unavoidable reasons behind sticking to it. The unfortunate scenario is that the media gives undue importance to it; the latest example is the change in Punjab which is evidently a political and administrative issue in the State. Most readers are unconcerned by the new man's caste.

P.R.V. RAJA,
Pandalam, Kerala

AUKUS

The sudden joint decision by three major countries – the U.S., the U.K. and Australia – to form an alliance and induct nuclear-powered submarines is one that

comes in the wake of China's rise and newfound affinity with the Taliban. Countries have to seriously ponder over the developments that have taken place in Afghanistan and consider the likely security repercussions.

V. LAKSHMANAN,
Tirupur, Tamil Nadu

Act now

India, as the third largest greenhouse gases emitting country, can no longer hide behind claims of a right to delay because of historical emissions by other countries, or per capita differences in emissions. Where is India's national

CORRECTIONS & CLARIFICATIONS:

The blurb of an OpEd page article titled "Empathy through education" (Sept. 20, 2021) should have read: "Social and emotional learning is not 'fluff'; it is an important goal in education." The published version had erroneously said "educational learning".

It is the policy of The Hindu to correct significant errors as soon as possible. Please specify the edition (place of publication), date and page. The Readers' Editor's office can be contacted by Telephone: +91-44-28418297/28576300 (11 a.m. to 5 p.m., Monday to Friday); Fax: +91-44-28552963; E-mail: readerseditor@thehindu.co.in; Mail: Readers' Editor, The Hindu, Kasturba Buildings, 855 & 860 Anna Salai, Chennai 600 002, India. All communications must carry the full postal address and telephone number. No personal visits. The Terms of Reference for the Readers' Editor are on www.thehindu.com