MSCARO 2026: audit guardrails for co-ops eyeing bank status

GS3 · Economy / Banking

MSCARO, ICAI set guardrails for multi state cooperatives eyeing bank status

While banking regulator is laying down financial, governance norms for cooperative credit societies aspiring to turn into banks, MSCARO seeks to ensure transparency, financial discipline and accountability necessary to meet those conditions, new framework can detect financial stress early

NEWS ANALYSIS

Santosh V. Perumal



New beginning: A man stands in front of the RBI logo inside its headquarters in Mumbai. REUTERS

Once bitten, twice shy. India's urban cooperative banks (UCBs) have had their share of troubled episodes, regulatory lapses and governance failures, which neither the Government nor the Reserve Bank of India (RBI) could afford to overlook.

After keeping UCB licensing on hold for 22 years, the RBI's decision to revive the process marks a significant shift. But this time, the Government seems determined to put the guardrails in place before allowing the sector to gather momentum.

The Ministry of Commerce's Multi-State Co-operative Societies (Auditor's Report) Order or MSCARO 2026, with the proposed guidance note from the Institute of Chartered Accountants of India (ICAI), is an attempt to make the journey smoother and safer. The objective is not merely to reopen the doors but to ensure that those entering do so on a sound institutional footing.

The two developments are connected. While the RBI is laying down the financial and governance conditions for cooperative credit societies aspiring to become banks, MSCARO seeks to ensure transparency, financial discipline and accountability needed to meet those conditions.

The new framework helps in early detection of financial stress, safeguards members' funds and strengthens statutory and regulatory compliance.

A key aspect of the stringent order is that audit observations will feed into the Central Registrar of Cooperative Societies (CRCS) portal, which facilitates risk-based supervision, automated scrutiny and potential AI-based risk assessment in the sector, which once reeked of scams like Madhavpura Mercantile Cooperative Bank and Punjab and Maharashtra Cooperative Bank.

Poor governance, political interference, dual regulation, concentrated lending, weak capital structure and technology deficiency summed up for the failure of several UCBs.

> As per an RBI Report, India had 1,457 UCBs at end March 2025 with a combined balance sheet of ₹7.38 lakh cr. (deposits of ₹5.84 lakh crore and ₹3.70 lakh cr. advances

MSCARO 2026 – modelled on the Companies (Auditor's Report) Order (CARO) that prescribes additional reporting requirements for company auditors – stems from concerns about inconsistent audit practices, inadequate financial disclosures, governance deficiencies and the possibility of financial irregularities going undetected. Unlike commercial banks, many cooperative credit societies have had relatively limited institutional oversight.

Clear parameters

As part of efforts to address the shortcomings, MSCARO outlined a standardised audit format, wherein auditors must provide clear Yes/No responses, accompanied by explanations, on financial, administrative, governance and statutory compliance parameters.

The scope is vast and includes examination of non-performing assets, overdue loans, funds utilisation, cybersecurity safeguards and anti-money laundering compliance, and board composition.

The initial phase covers societies crossing the ₹1,000-crore threshold, with the long-term goal of extending the framework to societies crossing ₹50 crore in relevant financial parameters. This gives smaller institutions time to upgrade their accounting and reporting systems.

ICAI notification

The Institute of Chartered Accountants of India (ICAI) plays a pivotal role in translating the new audit norms into professional practice.

The ICAI had in October said its Cooperation and NPO Committee reviewed the draft MSCARO and submitted a comprehensive audit checklist to the Ministry of Cooperation.

Working on a Guidance Note on MSCARO 2026, ICAI said its proposed guidance is intended to provide auditors with a structured reference for examining key audit considerations, improving consistency and ensuring compliance with statutory requirements.

It is undertaking capacity-building programmes for cooperative societies and departmental auditors.

The ICAI initiative could help bridge the gap between regulatory expectations and the actual auditing capabilities available across cooperative sector.

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Timing matters

The advent of MSCARO is particularly relevant as RBI is reopening the doors for fresh UCB licences after a gap of nearly 22 years.

As per proposed RBI framework, an eligible cooperative credit society must have minimum deposits of ₹10,000 crore, net worth of at least ₹300 crore, capital-to-risk-weighted assets ratio of at least 12%, net NPA ratio not crossing 3% and at least 10 years of operational existence.

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THE NEWS

The RBI is reviving urban cooperative bank (UCB) licensing after keeping it on hold for 22 years. Before that, the Government has notified the Multi-State Co-operative Societies (Auditor's Report) Order, 2026 (MSCARO).

The ICAI is preparing a guidance note so that auditors apply it consistently. The aim: transparency, financial discipline and early detection of stress before societies become banks.

MSCARO 2026: audit guardrails for co-ops eyeing bank status

PRELIMS INSIGHTS

- MSCARO is modelled on CARO, the Companies (Auditor's Report) Order for company audits.
- Auditors give clear Yes/No answers with explanations on NPAs, overdue loans, fund utilisation, cybersecurity and anti-money laundering compliance.
- Audit observations feed into the Central Registrar of Cooperative Societies (CRCS) portal for risk-based supervision. First phase: societies above ₹1,000 crore; later down to ₹50 crore.
- Proposed RBI gate for a UCB licence: deposits ≥ ₹10,000 crore, net worth ≥ ₹300 crore, CRAR ≥ 12%, net NPA ≤ 3%, 10 years of operation.
- India had 1,457 UCBs at end-March 2025 (balance sheet ₹7.38 lakh crore). Past failures: Madhavpura Mercantile (Ketan Parekh exposure), PMC Bank (HDIL loans).
- Background: 97th Amendment (2011) added Part IXB on cooperatives; the Banking Regulation (Amendment) Act, 2020 brought cooperative banks under RBI supervision.

MAINS INSIGHTS

- Dual regulation: registrar (cooperative law) plus RBI (banking) has let governance gaps slip through; better audit data narrows that gap.
- Depositor protection: early-warning audit is cheaper than a moratorium and a bailout.
- Financial inclusion: well-run UCBs serve small borrowers that commercial banks often miss.

UPSC PRELIMS PYQ · 2020

Consider the following statements:
1. In terms of short-term credit delivery to the agriculture sector, District Central Cooperative Banks (DCCBs) deliver more credit in comparison to Scheduled Commercial Banks and Regional Rural Banks.
2. One of the most important functions of DCCBs is to provide funds to the Primary Agricultural Credit Societies.
Which of the statements given above is/are correct?
(a) 1 only (b) 2 only (c) Both 1 and 2 (d) Neither 1 nor 2
Answer: (b) 2 only. Scheduled Commercial Banks deliver the most short-term agricultural credit.

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Jamaica's reparations petition to King Charles III GS2 · International

Relations / Law

Why Jamaica's reparations petition has a solid legal basis

The petition asks whether the enslavement of Africans in Jamaica violated international law

WORLD INSIGHT

Faisal C.K.

Led by Culture Minister Olivia Grange, the Jamaican government filed a petition on September 7, 2026, asking King Charles III of England – who is Jamaica's Head of State – to refer three core legal questions to the Judicial Committee of the Privy Council (JCPC) under Section 4 of the Judicial Committee Act 1833. The questions ask whether the capture, transportation, and enslavement of Africans in Jamaica were ever lawful under English common law, whether those acts violated international legal principles, and whether the U.K. holds a legal obligation to provide reparatory remedies to the Jamaican people.

While the petition is pending, U.K. Prime Minister Andy Burnham recently stated that the government is open to formally apologising for Britain's role in the transatlantic slave trade, but ruled out financial reparations, arguing that the contemporary British populace cannot be held liable for historical wrongs. However, a closer look reveals that Jamaica's petition possesses far more legal weight than a cosmetic apology.

The burden of history

In January 1778, inside Edinburgh's Court of Session, a Jamaican-born African named Joseph Knight challenged the legal basis of British domestic servitude. Brought to Perthshire as chattel by sugar baron John Wedderburn, Knight demanded his wages and liberty. Wedderburn insisted that colonial property rights were indelible across the Atlantic. The Scottish bench demurred. The court declared that a master's dominion over an enslaved person, however entrenched under Jamaican statutes, was so unjust that it could find no shelter under Scots law. Knight walked out a free man.

Yet, for two and a half centuries, the verdict carried an imperial hypocrisy. The common law proudly proclaimed the soil of the metropole too pure for slavery, while permitting the Crown to enrich itself from slavery across the Caribbean.

Jamaica's strategy of petitioning King Charles III represents a masterstroke of forensic anti-colonialism: demanding that Britain reconcile its domestic declarations of human dignity with centuries of institutionalised colonial devastation.

The filing gains added significance from its timing, deliberately marking the anniversary of the Liverpool slave ship Zong's departure in 1781. When navigational errors and dwindling water supplies threatened the voyage, the crew cast 132 enslaved Africans, bound and alive, into the sea to ensure that insurance underwriters covered jettisoned "cargo" rather than deaths from dehydration. When the resulting case – *Gregson v. Gilbert* (1783) – reached Lord Mansfield, the court treated mass homicide purely as a commercial breach of contract. By yoking its challenge to this foundational atrocity, Jamaica's petition confronts the Privy Council with the very moment English jurisprudence reduced human slaughter to an insurable business loss.

By petitioning Charles III as King of Jamaica, Kingston obligates him to act on the advice of his Caribbean ministers, not his Westminster cabinet. Relying on the 1833 statute permitting the sovereign to refer any matter to the JCPC for an opinion, Jamaica bypasses diplomatic entreaties, compelling Britain's highest sitting judges to either legitimise an imperial double standard or acknowledge that the state's foundational wealth was built upon an actionable legal wrong.

An obligation *erga omnes*

Substantively, Jamaica's plea directly challenges Britain's standard defence: the doctrine of intertemporal law. This principle dictates that past acts must be judged solely by the law of their contemporary era. Successive British governments have routinely hidden behind this positivist barricade, asserting that however abhorrent the transatlantic slave trade was, it was lawful under 18th-century imperial statutes.

Jamaica shatters this defence by invoking norms that admit no temporal limitation. As the International Court of Justice articulated in Barcelona Traction (1970), the prohibition of slavery is an obligation *erga omnes* – a peremptory duty owed to the international community as a whole. Jamaica asserts that chattel slavery was *malum in se*, fundamentally repugnant to natural justice from its inception. Because of its *erga omnes* nature, this sustained expropriation of human beings constitutes an indelible violation that the modern state cannot lawfully ignore.

Furthermore, Jamaica's petition operationalises restorative justice, as pioneered by criminologist Howard Zehr. Unlike traditional retributive justice – which focuses on rule-breaking and individual culpability – Zehr's framework addresses the harm done and affirmative obligations to make things right.

This necessity is underscored by the British Treasury's own ledger. When the Parliament passed the Slavery Abolition Act 1833, it paid £20 million– nearly 40 per cent of its national budget to compensate former slave-owners, rather than the emancipated victims. Britain only finished repaying that bailout loan in 2015. Under restorative ethics, this was an institutional inversion of justice: compensating the wrongdoers while leaving victims destitute.

(Faisal C.K. is Deputy Law Secretary to the Keralam Government. Views are personal)

THE NEWS

On 7 September 2026, led by Culture Minister Olivia Grange, Jamaica asked King Charles III, its Head of State, to refer three questions to the Judicial Committee of the Privy Council (JCPC) under Section 4 of the Judicial Committee Act, 1833.

The questions: were capture, transport and enslavement of Africans lawful under English common law; did they violate international law; and does the U.K. owe reparatory remedies. U.K. PM Andy Burnham is open to an apology but has ruled out reparations.

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Jamaica's reparations petition to King Charles III

PRELIMS INSIGHTS

- **JCPC:** sits in London; final court of appeal for several Commonwealth countries, including Jamaica.
- Jamaica: independent in **1962**, a Commonwealth realm with the British monarch as Head of State.
- **Intertemporal law:** acts judged by the law of their own era (Britain's defence).
- **Erga omnes:** an obligation owed to the whole international community; ICJ, **Barcelona Traction (1970)** named the prohibition of slavery as one.
- **Slavery Abolition Act, 1833:** Britain paid **£20 million** (about 40% of its budget) to slave-owners, not to the enslaved; the loan was repaid only in **2015**.
- **Zong (1781):** 132 enslaved Africans thrown overboard; **Gregson v. Gilbert (1783)** treated it as an insurance dispute.

MAINS INSIGHTS

- **Historical justice:** restorative justice (Howard Zehr) looks at harm and repair, not just guilt.
- **Law vs politics:** a legal opinion from Britain's own top judges raises the cost of saying no.
- **Global South solidarity:** links to the CARICOM reparations agenda and wider colonial-era claims.

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After the midterms, US House Republicans choose new leaders

GS2 · World / Comparative polity

After midterm maelstrom, U.S. House Republicans to choose new leadership

Steve Scalise and Jim Jordan campaign for party leadership in the new Congress as the Republican Party looks to rebuild from recent midterm loss; GOP prepares for a minority role as Democrats take over the Senate and House of Representatives; Democrats to hold leadership polls next week

Associated Press
WASHINGTON

U.S. House Republicans will move on Tuesday to select their leader in the minority after a brutal drubbing at the polls, with the two candidates being House Majority Leader Steve Scalise of Louisiana and Judiciary Committee Chairman Jim Jordan of Ohio.

Mr. Scalise and Mr. Jordan have faced off before, both running to serve as House Speaker after Kevin McCarthy was ousted from the job a little more than three years ago. Neither was able to rally the support necessary to secure the position, which eventually went to Mike Johnson.

Now Republicans are headed into the minority, changing the nature of the job. The winner of the leadership race will inherit a historically small House Republican conference that is only beginning to grapple with its loss of power as President Donald Trump serves out his final two years in office. Leading the party back to the House majority in 2028 is sure to be a stiff climb, given the scope of Democratic victories in the midterms.

Mr. Scalise, 61, has held key GOP leadership positions going back to 2014, serving as party whip and then as majority leader. In 2017, he was critically wounded when a gunman opened fire at a baseball practice where several Republican lawmakers were preparing for an annual charity game against Democrats. In 2023, he was stricken with blood cancer that was successfully treated.

"Overcoming adversity is nothing new to me," Mr. Scalise said.

Mr. Jordan, 62, is a cofounder of the ultraconservative House Freedom Caucus and served as its first chairman. He has been the chairman of the House Judiciary Committee for the last four years.

"Our job cannot be merely to spotlight how radical this new Democratic Party is – offence, not defence, wins elections," Mr. Jordan said.

Both men have been here before. Mr. Scalise ended up withdrawing from the Speaker's race three years ago after some of the more conservative members declined to back him following Mr. Trump's endorsement of Mr. Jordan. Mr. Trump was not President at the time, but his voice still carried the most weight for many.

Mr. Jordan then became the nominee, but others within the conference were adamant they would not reward the hard-ball tactics used to topple Mr. McCarthy and then Mr. Scalise, so he fell short in multiple rounds of votes. Eventually, Republicans turned to a new face who was not part of their internal skirmish – Mr. Johnson.



Face-off: Jim Jordan, party House representative for Ohio, (left) and Steve Scalise (Louisiana) have emerged as contenders for the top Republican post in the U.S. House of Representatives. AP

Political pitches

In a letter to colleagues, Mr. Scalise emphasised that he was ready to lead on Day One of the next Congress. He cited his work in helping deliver legislative wins, such as Mr. Trump's big tax and spending cut bill.

He also emphasised his fundraising prowess, noting he raised $67.9 million for this year's midterms, with about a third of that going directly to individual House campaigns and the National Republican Congressional Committee. He said his grassroots fundraising operation is the most prolific among House Republicans.

"In competitive districts, every dollar counts and those resources are critical to winning back the majority," Mr. Scalise said.

Mr. Jordan warned of the coming Democratic efforts on oversight, with numerous investigations of the Trump administration expected.

"I am battle-tested on the oversight front and I know the Democrats' playbook," Mr. Jordan said.

Rep. Andy Harris of Maryland said he would be supporting Mr. Jordan.

"I think you need to change the team and I think you need an excellent communicator, and he fits both those bills," Mr. Harris said.

Rep. Mike Kelly of Pennsylvania said he believes Mr. Scalise is better suited for the job.

"I like people who do legislation and appropriations. I think that's important," Mr. Kelly said. "I know other people have maybe had more time on Fox, but I like guys that work more on facts."

Rep. Steve Womack of Arkansas called it a "really, really close race."

"There's a school of thought a lot of members have that a new broom sweeps clean after going through what we just went through last Tuesday," Mr. Womack said.

"There's also a school of thought of people that believe Mr. Scalise, who has led us back before, can do it again."

House Speaker Johnson said he was close to both men and would not try to dictate the outcome.

"I want the body, I want the members to make those decisions themselves," Mr. Johnson said. "I'm not weighing in here on the leadership elections."

Other positions

In addition to the race for minority leader, Reps. Tom Emmer of Minnesota and August Pfluger of Texas are vying to serve as Republican whip, the No. 2 position in the leadership hierarchy. Three candidates are seeking to serve as conference chair: Reps. Lisa McClain of Michigan, Erin Houchin of Indiana and Greg Steube of Florida.

Democrats will hold their leadership elections next week.

Rep. Hakeem Jeffries of New York is expected to become the next House speaker, the first African-American to hold the job, and Rep. Katherine Clark of Massachusetts is expected to become the next majority leader. She would be the first woman to hold that position.

THE NEWS

After losing the midterms, House Republicans are picking their minority leader: Steve Scalise (Louisiana) or Jim Jordan (Ohio). Democrats now control both the Senate and the House of Representatives.

Hakeem Jeffries is expected to become the first African-American Speaker and Katherine Clark the first woman majority leader. Tom Emmer and August Pfluger are vying for Republican whip.

After the midterms, US House Republicans choose new leaders

PRELIMS INSIGHTS

- US House: 435 members, 2-year term. Senate: 100 members, 6-year term.
- Speaker of the US House is elected by the House and stays a party leader; floor work is run by the majority and minority leaders.
- Whip: the No. 2 party post; enforces party discipline.
- India: defying the party whip can lead to disqualification under the Tenth Schedule (52nd Amendment, 1985).
- India's Speaker: Articles 93–96; the Constitution does not require the Speaker to resign from the party (UPSC 2025).

MAINS INSIGHTS

- Neutral vs partisan Speaker: the Westminster ideal (India, U.K.) against the openly partisan US Speaker.
- Divided vs unified government: one party controlling both houses eases legislation and sharpens oversight of the executive.

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The End of Everything wins the Booker Prize

GS1 · Culture / Awards

The End of Everything wins Booker for fiction

Associated Press
LONDON

British writer M. John Harrison won the Booker Prize for fiction on Monday for *The End of Everything*, a satirical dystopian novel whose themes of "catastrophe and apocalypse" chime with our uneasy times. It is the first work of science fiction to take the prestigious $67,000 literary award, but 81-year-old Harrison said he doesn't want to be hemmed in by the sci-fi label.

He said Booker recognition after six decades as an author shows that the era of "genres as fences and boxes, pigeonholes, is over".

"I think this book shows, and the prize now shows, that it is very possible to write a book that mixes not just two genres, but three or four," Mr. Harrison said at a post-ceremony news conference.

Mr. Harrison beat five other finalists including previous winners Douglas Stuart and Marlon James, who had been the odds-makers' favourites, and Pulitzer Prize laureate Elizabeth Strout.



Accolades galore: M. John Harrison poses with the trophy after winning the Booker Prize in London on Tuesday. AP

Dystopian theme

The End of Everything is set on England's Channel coast in the near future, after an unspecified calamity has shattered society and brought an influx of enigmatic alien entities to Britain. It centres on a beachcomber who lives with his gun-toting aunt and discovers a puzzling, shape-shifting artifact on the shore.

Asked what he wanted to convey to readers, Mr. Harrison said: "It's a grim world, and it'll keep on being grim. And it's weird. But at the end of things there may be some kind of – I wouldn't say hope, or closure, but there might be some kind of relief."

Historian Mary Beard, who chaired the judging panel, said the book is "the politics of now seen through the lens of the future," and about a society "undergoing a catastrophe that they don't really understand."

Critics have praised the book's dark humour, though some have been confused by its elusive narrative.

THE NEWS

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It is the first work of science fiction to win. Historian Mary Beard chaired the judges.

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The End of Everything wins the Booker Prize

PRELIMS INSIGHTS

- Booker Prize: since 1969, for a novel written in English and published in the UK or Ireland.
- Until 2013, only Commonwealth, Irish and Zimbabwean citizens were eligible; since 2014, any nationality.
- International Booker: for fiction translated into English; the prize is shared equally by author and translator.
- Indian-origin Booker winners: Salman Rushdie (1981), Arundhati Roy (1997), Kiran Desai (2006), Aravind Adiga (2008).
- International Booker from India: Geetanjali Shree, Tomb of Sand (2022, Hindi); Banu Mushtaq, Heart Lamp (2025, Kannada).

MAINS INSIGHTS

- Genre boundaries: the win signals that literary prizes now reward speculative fiction about real anxieties.

UPSC PRELIMS PYQ · 2005

Consider the following statements:
1. The Man Booker Prize is awarded to citizen of any of the countries of the British Commonwealth or the Republic of Ireland.
2. A leading London-based software company underwrites the Man Booker Prize presently.
3. The winner of the Man Booker Prize in year 2004 is a South Asian.
Which of the statements given above is/are correct?
(a) 1 only (b) 1 and 3 (c) 2 and 3 (d) 1, 2 and 3
Answer: (a) 1 only, as the rules stood in 2005 (the sponsor Man Group was an investment firm; the 2004 winner was Alan Hollinghurst). Since 2014 any nationality is eligible.

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MSCARO 2026: बैंक बनना चाहने वाली सहकारी समितियों पर ऑडिट नियम GS3 · अर्थव्यवस्था / बैंकिंग

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समाचार

RBI **22 साल** बाद **शहरी सहकारी बैंकों (UCB)** के नए लाइसेंस फिर शुरू कर रहा है। उससे पहले सरकार ने **बहु-राज्य सहकारी समिति (लेखा परीक्षक रिपोर्ट) आदेश, 2026 (MSCARO)** जारी किया है।

ICAI एक मार्गदर्शन नोट बना रहा है ताकि ऑडिटर इसे एक जैसा लागू करें। उद्देश्य: पारदर्शिता, वित्तीय अनुशासन और बैंक बनने से पहले वित्तीय तनाव की जल्दी पहचान।

MSCARO 2026: बैंक बनना चाहने वाली सहकारी समितियों पर ऑडिट नियम

प्रीलिम्स इनसाइट्स

- **MSCARO**, कंपनियों के ऑडिट वाले **CARO** (Companies (Auditor's Report) Order) पर आधारित है।
- ऑडिटर NPA, बकाया ऋण, धन के उपयोग, साइबर सुरक्षा और **एंटी-मनी लॉन्ड्रिंग** अनुपालन पर स्पष्ट **हाँ/नहीं** उत्तर और कारण देंगे।
- ऑडिट टिप्पणियाँ **केंद्रीय सहकारी समिति रजिस्ट्रार (CRCS)** पोर्टल पर जाएँगी, जोखिम-आधारित निगरानी के लिए। पहला चरण: **₹1,000 करोड़** से बड़ी समितियाँ; आगे **₹50 करोड़** तक।
- UCB लाइसेंस के लिए RBI की प्रस्तावित शर्तें: जमा $\geq$ **₹10,000 करोड़**, नेटवर्थ $\geq$ **₹300 करोड़**, **CRAR $\geq$ 12%**, **शुद्ध NPA $\leq$ 3%**, **10 वर्ष** का संचालन।
- मार्च 2025 के अंत में भारत में **1,457 UCB** थे (बैलेंस शीट ₹7.38 लाख करोड़)। पुरानी विफलताएँ: **माधवपुरा मर्केंटाइल** (केतन पारेख), **PMC बैंक** (HDIL ऋण)।
- पृष्ठभूमि: **97वें संशोधन (2011)** से सहकारी समितियों पर भाग IXB जुड़ा; **बैंकिंग विनियमन (संशोधन) अधिनियम, 2020** से सहकारी बैंक RBI की निगरानी में आए।

मेन्स इनसाइट्स

- **दोहरा विनियमन:** रजिस्ट्रार और RBI के बीच शासन की कमियाँ छूटती रहीं; बेहतर ऑडिट डेटा यह अंतर कम करता है।
- **जमाकर्ता सुरक्षा:** समय पर चेतावनी देने वाला ऑडिट, मोरेटोरियम और बेलआउट से सस्ता है।
- **वित्तीय समावेशन:** अच्छे UCB उन छोटे कर्जदारों तक पहुँचते हैं जिन्हें वाणिज्यिक बैंक अक्सर छोड़ देते हैं।

UPSC प्रीलिम्स PYQ · 2020

Consider the following statements:
1. In terms of short-term credit delivery to the agriculture sector, District Central Cooperative Banks (DCCBs) deliver more credit in comparison to Scheduled Commercial Banks and Regional Rural Banks.
2. One of the most important functions of DCCBs is to provide funds to the Primary Agricultural Credit Societies.
Which of the statements given above is/are correct?
(a) 1 only (b) 2 only (c) Both 1 and 2 (d) Neither 1 nor 2
उत्तर: (b) केवल 2। अल्पकालिक कृषि ऋण सबसे अधिक अनुसूचित वाणिज्यिक बैंक देते हैं।

जमैका की क्षतिपूर्ति याचिका: किंग चार्ल्स तृतीय से GS2 · अंतरराष्ट्रीय संबंध / विधि

Why Jamaica's reparations petition has a solid legal basis

The petition asks whether the enslavement of Africans in Jamaica violated international law

WORLD INSIGHT

Faisal C.K.

Led by Culture Minister Olivia Grange, the Jamaican government filed a petition on September 7, 2026, asking King Charles III of England – who is Jamaica's Head of State – to refer three core legal questions to the Judicial Committee of the Privy Council (JCPC) under Section 4 of the Judicial Committee Act 1833. The questions ask whether the capture, transportation, and enslavement of Africans in Jamaica were ever lawful under English common law, whether those acts violated international legal principles, and whether the U.K. holds a legal obligation to provide reparatory remedies to the Jamaican people.

While the petition is pending, U.K. Prime Minister Andy Burnham recently stated that the government is open to formally apologising for Britain's role in the transatlantic slave trade, but ruled out financial reparations, arguing that the contemporary British populace cannot be held liable for historical wrongs. However, a closer look reveals that Jamaica's petition possesses far more legal weight than a cosmetic apology.

The burden of history

In January 1778, inside Edinburgh's Court of Session, a Jamaican-born African named Joseph Knight challenged the legal basis of British domestic servitude. Brought to Perthshire as chattel by sugar baron John Wedderburn, Knight demanded his wages and liberty. Wedderburn insisted that colonial property rights were indelible across the Atlantic. The Scottish bench demurred. The court declared that a master's dominion over an enslaved person, however entrenched under Jamaican statutes, was so unjust that it could find no shelter under Scots law. Knight walked out a free man.

Yet, for two and a half centuries, the verdict carried an imperial hypocrisy. The common law proudly proclaimed the soil of the metropole too pure for slavery, while permitting the Crown to enrich itself from slavery across the Caribbean.

Jamaica's strategy of petitioning King Charles III represents a masterstroke of forensic anti-colonialism: demanding that Britain reconcile its domestic declarations of human dignity with centuries of institutionalised colonial devastation.

The filing gains added significance from its timing, deliberately marking the anniversary of the Liverpool slave ship Zong's departure in 1781. When navigational errors and dwindling water supplies threatened the voyage, the crew cast 132 enslaved Africans, bound and alive, into the sea to ensure that insurance underwriters covered jettisoned "cargo" rather than deaths from dehydration. When the resulting case – *Gregson v. Gilbert* (1783) – reached Lord Mansfield, the court treated mass homicide purely as a commercial breach of contract. By yoking its challenge to this foundational atrocity, Jamaica's petition confronts the Privy Council with the very moment English jurisprudence reduced human slaughter to an insurable business loss.

By petitioning Charles III as King of Jamaica, Kingston obligates him to act on the advice of his Caribbean ministers, not his Westminster cabinet. Relying on the 1833 statute permitting the sovereign to refer any matter to the JCPC for an opinion, Jamaica bypasses diplomatic entreaties, compelling Britain's highest sitting judges to either legitimise an imperial double standard or acknowledge that the state's foundational wealth was built upon an actionable legal wrong.

An obligation *erga omnes*

Substantively, Jamaica's plea directly challenges Britain's standard defence: the doctrine of intertemporal law. This principle dictates that past acts must be judged solely by the law of their contemporary era. Successive British governments have routinely hidden behind this positivist barricade, asserting that however abhorrent the transatlantic slave trade was, it was lawful under 18th-century imperial statutes.

Jamaica shatters this defence by invoking norms that admit no temporal limitation. As the International Court of Justice articulated in Barcelona Traction (1970), the prohibition of slavery is an obligation *erga omnes* – a peremptory duty owed to the international community as a whole. Jamaica asserts that chattel slavery was *malum in se*, fundamentally repugnant to natural justice from its inception. Because of its *erga omnes* nature, this sustained expropriation of human beings constitutes an indelible violation that the modern state cannot lawfully ignore.

Furthermore, Jamaica's petition operationalises restorative justice, as pioneered by criminologist Howard Zehr. Unlike traditional retributive justice – which focuses on rule-breaking and individual culpability – Zehr's framework addresses the harm done and affirmative obligations to make things right.

This necessity is underscored by the British Treasury's own ledger. When the Parliament passed the Slavery Abolition Act 1833, it paid £20 million– nearly 40 per cent of its national budget to compensate former slave-owners, rather than the emancipated victims. Britain only finished repaying that bailout loan in 2015. Under restorative ethics, this was an institutional inversion of justice: compensating the wrongdoers while leaving victims destitute.

(Faisal C.K. is Deputy Law Secretary to the Keralam Government. Views are personal)

समाचार

7 सितंबर 2026 को संस्कृति मंत्री **ओलिविया ग्रेंज** के नेतृत्व में जमैका ने अपने राष्ट्राध्यक्ष किंग चार्ल्स तृतीय से **न्यायिक समिति अधिनियम, 1833 की धारा 4** के तहत तीन प्रश्न **प्रिवी काउंसिल की न्यायिक समिति (JCPC)** को भेजने को कहा।

प्रश्न: क्या अफ्रीकियों को पकड़ना, ले जाना और गुलाम बनाना अंग्रेज़ी कॉमन लॉ में वैध था; क्या इससे अंतरराष्ट्रीय कानून टूटा; और क्या ब्रिटेन पर क्षतिपूर्ति का दायित्व है। ब्रिटिश PM एंडी बर्नहैम माफ़ी को तैयार हैं पर क्षतिपूर्ति से इनकार करते हैं।

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जमैका की क्षतिपूर्ति याचिका: किंग चार्ल्स तृतीय से

प्रीलिम्स इनसाइट्स

- **JCPC:** लंदन में; कई राष्ट्रमंडल देशों (जमैका सहित) की अंतिम अपील अदालत।
- जमैका: **1962** में स्वतंत्र, Commonwealth realm, ब्रिटिश सम्राट राष्ट्राध्यक्ष।
- **Intertemporal law:** किसी कार्य को उसी समय के कानून से आँका जाए (ब्रिटेन का बचाव)।
- **Erga omnes:** पूरे अंतरराष्ट्रीय समुदाय के प्रति दायित्व; ICJ ने **बार्सिलोना ट्रैक्शन (1970)** में दासता निषेध को ऐसा बताया।
- **दासता उन्मूलन अधिनियम, 1833:** ब्रिटेन ने **£2 करोड़** (बजट का लगभग 40%) दास-मालिकों को दिए, पीड़ितों को नहीं; यह ऋण **2015** में चुका।
- **ज़ॉन्ग (1781):** 132 गुलाम अफ्रीकियों को समुद्र में फेंका गया; **ग्रेगसन बनाम गिल्बर्ट (1783)** में इसे बीमा विवाद माना गया।

मेन्स इनसाइट्स

- **ऐतिहासिक न्याय:** पुनर्स्थापनात्मक न्याय (हावर्ड ज़ेहर) केवल दोष नहीं, नुकसान और उसकी भरपाई देखता है।
- **कानून बनाम राजनीति:** ब्रिटेन के ही शीर्ष न्यायाधीशों की कानूनी राय 'ना' कहने की कीमत बढ़ाती है।
- **ग्लोबल साउथ:** CARICOM के क्षतिपूर्ति एजेंडा और औपनिवेशिक दावों से जुड़ा मुद्दा।

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मध्यावधि चुनाव के बाद अमेरिकी हाउस में रिपब्लिकन नया नेतृत्व चुनेंगे GS2 · विश्व

/ तुलनात्मक राजव्यवस्था

After midterm maelstrom, U.S. House Republicans to choose new leadership

Steve Scalise and Jim Jordan campaign for party leadership in the new Congress as the Republican Party looks to rebuild from recent midterm loss; GOP prepares for a minority role as Democrats take over the Senate and House of Representatives; Democrats to hold leadership polls next week

Associated Press
WASHINGTON

U.S. House Republicans will move on Tuesday to select their leader in the minority after a brutal drubbing at the polls, with the two candidates being House Majority Leader Steve Scalise of Louisiana and Judiciary Committee Chairman Jim Jordan of Ohio.

Mr. Scalise and Mr. Jordan have faced off before, both running to serve as House Speaker after Kevin McCarthy was ousted from the job a little more than three years ago. Neither was able to rally the support necessary to secure the position, which eventually went to Mike Johnson.

Now Republicans are headed into the minority, changing the nature of the job. The winner of the leadership race will inherit a historically small House Republican conference that is only beginning to grapple with its loss of power as President Donald Trump serves out his final two years in office. Leading the party back to the House majority in 2028 is sure to be a stiff climb, given the scope of Democratic victories in the midterms.

Mr. Scalise, 61, has held key GOP leadership positions going back to 2014, serving as party whip and then as majority leader. In 2017, he was critically wounded when a gunman opened fire at a baseball practice where several Republican lawmakers were preparing for an annual charity game against Democrats. In 2023, he was stricken with blood cancer that was successfully treated.

"Overcoming adversity is nothing new to me," Mr. Scalise said.

Mr. Jordan, 62, is a co-founder of the ultraconservative House Freedom Caucus and served as its first chairman. He has been the chairman of the House Judiciary Committee for the last four years.

"Our job cannot be merely to spotlight how radical this new Democratic Party is – offence, not defence, wins elections," Mr. Jordan said.

Both men have been here before. Mr. Scalise ended up withdrawing from the Speaker's race three years ago after some of the more conservative members declined to back him following Mr. Trump's endorsement of Mr. Jordan. Mr. Trump was not President at the time, but his voice still carried the most weight for many.

Mr. Jordan then became the nominee, but others within the conference were adamant they would not reward the hard-ball tactics used to topple Mr. McCarthy and then Mr. Scalise, so he fell short in multiple rounds of votes. Eventually, Republicans turned to a new face who was not part of their internal skirmish – Mr. Johnson.



Face-off: Jim Jordan, party House representative for Ohio, (left) and Steve Scalise (Louisiana) have emerged as contenders for the top Republican post in the U.S. House of Representatives. AP

Political pitches

In a letter to colleagues, Mr. Scalise emphasised that he was ready to lead on Day One of the next Congress. He cited his work in helping deliver legislative wins, such as Mr. Trump's big tax and spending cut bill.

He also emphasised his fundraising prowess, noting he raised $67.9 million for this year's midterms, with about a third of that going directly to individual House campaigns and the National Republican Congressional Committee. He said his grassroots fundraising operation is the most prolific among House Republicans.

"In competitive districts, every dollar counts and those resources are critical to winning back the majority," Mr. Scalise said.

Mr. Jordan warned of the coming Democratic efforts on oversight, with numerous investigations of the Trump administration expected.

"I am battle-tested on the oversight front and I know the Democrats' playbook," Mr. Jordan said.

Rep. Andy Harris of Maryland said he would be supporting Mr. Jordan.

"I think you need to change the team and I think you need an excellent communicator, and he fits both those bills," Mr. Harris said.

Rep. Mike Kelly of Pennsylvania said he believes Mr. Scalise is better suited for the job.

"I like people who do legislation and appropriations. I think that's important," Mr. Kelly said. "I know other people have maybe had more time on Fox, but I like guys that work more on facts."

Rep. Steve Womack of Arkansas called it a "really, really close race."

"There's a school of thought a lot of members have that a new broom sweeps clean after going through what we just went through last Tuesday," Mr. Womack said.

"There's also a school of thought of people that believe Mr. Scalise, who has led us back before, can do it again."

House Speaker Johnson said he was close to both men and would not try to dictate the outcome.

"I want the body, I want the members to make those decisions themselves," Mr. Johnson said. "I'm not weighing in here on the leadership elections."

Other positions

In addition to the race for minority leader, Reps. Tom Emmer of Minnesota and August Pfluger of Texas are vying to serve as Republican whip, the No. 2 position in the leadership hierarchy. Three candidates are seeking to serve as conference chair: Reps. Lisa McClain of Michigan, Erin Houchin of Indiana and Greg Steube of Florida.

Democrats will hold their leadership elections next week.

Rep. Hakeem Jeffries of New York is expected to become the next House speaker, the first African-American to hold the job, and Rep. Katherine Clark of Massachusetts is expected to become the next majority leader. She would be the first woman to hold that position.

समाचार

मध्यावधि चुनाव हारने के बाद हाउस रिपब्लिकन अपना **अल्पसंख्यक नेता** चुन रहे हैं: **स्टीव स्कैलिस** (लुइज़ियाना) या **जिम जॉर्डन** (ओहायो)। डेमोक्रेट्स के पास अब **सीनेट** और **हाउस ऑफ रिप्रेज़ेंटेटिव्स** दोनों हैं।

हकीम जेफ्रीज़ के पहले अफ्रीकी-अमेरिकी स्पीकर और **कैथरीन क्लार्क** के पहली महिला बहुमत नेता बनने की उम्मीद है। रिपब्लिकन व्हिप पद के लिए टॉम एमर और ऑगस्ट फ्लूगर दावेदार हैं।

मध्यावधि चुनाव के बाद अमेरिकी हाउस में रिपब्लिकन नया नेतृत्व चुनेंगे

प्रीलिम्स इनसाइट्स

- US हाउस: **435** सदस्य, **2 वर्ष** का कार्यकाल। सीनेट: **100** सदस्य, **6 वर्ष**।
- US हाउस का **स्पीकर** सदन चुनता है और वह **पार्टी नेता** बना रहता है; सदन का काम बहुमत और अल्पसंख्यक नेता चलाते हैं।
- **व्हिप:** पार्टी का नंबर दो पद; पार्टी अनुशासन लागू करता है।
- भारत: पार्टी व्हिप के विरुद्ध मतदान पर **दसवीं अनुसूची** (52वाँ संशोधन, 1985) के तहत **अयोग्यता** हो सकती है।
- भारत का स्पीकर: अनुच्छेद **93–96**; संविधान स्पीकर से पार्टी छोड़ने की अपेक्षा नहीं करता (UPSC 2025)।

मेन्स इनसाइट्स

- **तटस्थ बनाम दलीय स्पीकर:** वेस्टमिंस्टर आदर्श (भारत, ब्रिटेन) और खुले तौर पर दलीय अमेरिकी स्पीकर।
- **विभाजित बनाम एकीकृत सरकार:** दोनों सदनों पर एक दल का नियंत्रण कानून बनाना आसान और कार्यपालिका की निगरानी तेज़ करता है।

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'द एंड ऑफ एवरीथिंग' को बुकर पुरस्कार GS1 · संस्कृति / पुरस्कार

The End of Everything wins Booker for fiction

Associated Press
LONDON

British writer M. John Harrison won the Booker Prize for fiction on Monday for *The End of Everything*, a satirical dystopian novel whose themes of "catastrophe and apocalypse" chime with our uneasy times. It is the first work of science fiction to take the prestigious $67,000 literary award, but 81-year-old Harrison said he doesn't want to be hemmed in by the sci-fi label.

He said Booker recognition after six decades as an author shows that the era of "genres as fences and boxes, pigeonholes, is over".



Accolades galore: M. John Harrison poses with the trophy after winning the Booker Prize in London on Tuesday. AP

"I think this book shows, and the prize now shows, that it is very possible to write a book that mixes not just two genres, but three or four," Mr. Harrison said at a post-ceremony news conference.

Mr. Harrison beat five other finalists including previous winners Douglas Stuart and Marlon James, who had been the odds-makers' favourites, and Pulitzer Prize laureate Elizabeth Strout.

Dystopian theme

The End of Everything is set on England's Channel coast in the near future, after an unspecified calamity has shattered society and brought an influx of enigmatic alien entities to Britain. It centres on a beachcomber who lives with his gun-toting aunt and discovers a puzzling, shape-shifting artifact on the shore.

Asked what he wanted to convey to readers, Mr. Harrison said: "It's a grim world, and it'll keep on being grim. And it's weird. But at the end of things there may be some kind of – I wouldn't say hope, or closure, but there might be some kind of relief."

Historian Mary Beard, who chaired the judging panel, said the book is "the politics of now seen through the lens of the future," and about a society "undergoing a catastrophe that they don't really understand."

Critics have praised the book's dark humour, though some have been confused by its elusive narrative.

समाचार

ब्रिटिश लेखक **एम. जॉन हैरिसन** (81) को व्यंग्यात्मक डिस्टोपियन उपन्यास **The End of Everything** के लिए **बुकर पुरस्कार** मिला, जिसकी कहानी इंग्लैंड के चैनल तट पर है।

यह जीतने वाली **पहली विज्ञान कथा** है। निर्णायक मंडल की अध्यक्ष इतिहासकार **मैरी बियर्ड** थीं।

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'द एंड ऑफ एवरीथिंग' को बुकर पुरस्कार

प्रीलिम्स इनसाइट्स

- बुकर पुरस्कार: **1969** से, **अंग्रेज़ी** में लिखे और **UK या आयरलैंड** में प्रकाशित उपन्यास के लिए।
- 2013 तक केवल **राष्ट्रमंडल, आयरलैंड और ज़िम्बाब्वे** के नागरिक पात्र थे; **2014** से कोई भी राष्ट्रीयता।
- **इंटरनेशनल बुकर: अंग्रेज़ी में अनूदित** कथा के लिए; राशि लेखक और अनुवादक में बराबर बँटती है।
- भारतीय मूल के बुकर विजेता: सलमान रुश्दी (1981), अरुंधति रॉय (1997), किरण देसाई (2006), अरविंद अडिगा (2008)।
- भारत से इंटरनेशनल बुकर: गीतांजलि श्री, **रेत समाधि / Tomb of Sand** (2022, हिंदी); बानू मुश्ताक, **Heart Lamp** (2025, कन्नड़)।

मेन्स इनसाइट्स

- **विधा की सीमाएँ:** यह जीत बताती है कि साहित्यिक पुरस्कार अब वास्तविक चिंताओं पर लिखी काल्पनिक कथा को भी मान्यता देते हैं।

UPSC प्रीलिम्स PYQ · 2005

Consider the following statements:
1. The Man Booker Prize is awarded to citizen of any of the countries of the British Commonwealth or the Republic of Ireland.
2. A leading London-based software company underwrites the Man Booker Prize presently.
3. The winner of the Man Booker Prize in year 2004 is a South Asian.
Which of the statements given above is/are correct?
(a) 1 only (b) 1 and 3 (c) 2 and 3 (d) 1, 2 and 3
उत्तर: (a) केवल 1, 2005 के नियमों के अनुसार (प्रायोजक मैन ग्रुप एक निवेश कंपनी थी; 2004 के विजेता एलन हॉलिंगहर्स्ट थे)। 2014 से कोई भी राष्ट्रीयता पात्र है।

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