



VEDHIK
IAS ACADEMY
The New Learning Mantra



VEDHIK

DAILY NEWS ANALYSIS

0 9 - F E B - 2 0 2 3



FOREWORD

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

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

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

CONTENTS

- GSP 02 A News - One Indian missing, 10 stuck in quake-affected areas of Turkey MEA
- GSP 02 B Editorials - A Nordic-India connect to power a green transition
- GSP 02 B News - Turkey, Syria quake deaths near 12,000 Part I
- GSP 02 B News - Turkey, Syria quake deaths near 12,000 Part II
- GSP 02 C Editorials - Is there a change in German policy towards Russia
- GSP 02 E News - Constitution doesn't allow aldermen right to vote, says SC Part I
- GSP 02 E News - Constitution doesn't allow aldermen right to vote, says SC Part II
- GSP 02 K Editorials - Bench and bigotry
- GSP 02 K News - Collegium rejigs proposals for HCs; Vinod Chandran named for Patna court
- GSP 03 A Editorials - The status and proceeds of disinvestment
- GSP 03 A News - RBI lifts loan costs to tame inflation Part I
- GSP 03 A News - RBI lifts loan costs to tame inflation Part II
- GSP 03 A News - RBI move to hit demand for affordable housing realtors
- GSP 03 L News - Surface-to-air missile DRDO working to fix a few glitches
- GSP 03 R News - 6,775 URLs blocked in 2022, panel met 53 times
- GSP 03 U News - India developing border connectivity due to China concerns Jaishankar

One Indian missing, 10 stuck in quake-affected areas of Turkey: MEA

Kallol Bhattacharjee

NEW DELHI

One Indian national has been missing in the earthquake that hit Turkey and Syria on Monday, the Ministry of External Affairs (MEA) has said. Briefing the media about the ongoing Indian rescue effort, 'Operation Dost', MEA Secretary (West) Sanjay Verma said 10 Indian citizens are "stuck" in the affected region but he confirmed that they remain unharmed.

Indian officials have set up a control room in Adana in southern Turkey and two Turkish-speaking Indian diplomats have joined the search and rescue teams that had flown in from here.

Mr. Verma informed that there are 3,000 Indian nationals at present in Turkey with 1,850 in and around Istanbul and 250 in Ankara. The rest are



Helping hand: NDRF team from India conducting a search and rescue operation in Gaziantep, Turkey, on Wednesday. ANI

"spread all over the country". Sources said that the Indian citizen who has been missing was staying in a hotel in Malatya and the building collapsed during the earthquake.

"Apart from the one Indian missing and 10 Indians who are safe but are sort of in a difficult situation, we do not have any other reports at this point which suggest that the Indian community in that part of Turkey is under any fatal danger," said Mr. Ver-

ma adding that three other Indians had approached the Indian teams seeking help and have since moved to a "safer habitation and are doing alright".

The senior diplomat said 'Operation Dost' was put together in consultation with multiple agencies after the earthquake hit Turkey and Syria and that this is the "farthest" that Indian Humanitarian Assistance and Disaster Relief operations over the last two decades have covered.

A Nordic-India connect to power a green transition

Over the last decades, Nordic countries have been pioneering green technologies. Together, the Nordics and India can power the green transition the world needs.

The thought of the Nordic countries might evoke different things to an Indian. Snow, fjords, lakes, and northern lights are definitely things we have plenty of. Over the last decades, we have also been at the forefront of developing new green technologies and solutions such as hydrogen, offshore wind, batteries and carbon capture and storage – solutions that are essential for the world to succeed in the green transition it desperately needs.

The Nordics have succeeded in building stable, secure, welfare-based societies that, to a large extent, manage to meet the needs and the wishes of their inhabitants.

Our common ambition is for the Nordic region to become the most sustainable and integrated region in the world by 2030. We work together to build a green, competitive, and socially sustainable region. However, the Nordic countries alone cannot deliver the green transition the world requires. Together, the Nordics and India can deliver key technologies and solutions to stop climate change and boost green growth.

Connecting with India

At the Nordic-India Summit held in Copenhagen in May 2022, the five Nordic Prime Ministers and India's Prime Minister Narendra Modi agreed to intensify cooperation on digitalisation, renewable energy, maritime industries, and the circular economy. Mr. Modi expressed an interest in joint Nordic solutions that can support India's green transition. It is very much with this in mind that we, the Trade Ministers of Norway and Finland, are currently visiting India together (February 9-10). During our visit, we aim to showcase the added value to the partnership we can bring to



Jan Christian Vestre

is the Norwegian Minister of Trade and Industry



Ville Skinnari

is the Finnish Minister for Development Cooperation and Foreign Trade

The Nordic countries are ready to offer their technologies and expertise to India as it moves towards a green, digital, and innovative future

India and learn from the impressive innovations and digital solutions being developed in India.

We have with us business delegations and companies that are leaders within sectors such as clean energy, circular economy, digitalisation, tourism, and the maritime sector. They have great ambitions for increased collaboration with India.

Our most valued and renowned businesses are already operating in India and have made substantial investments. Our business community in India is also growing. There are now 240 Norwegian and Finnish companies in India.

Trade links that can grow

The past year has seen a significant rise in trade and investments between Finland and India, and India has grown to become a priority country for Finland. A great illustration of this is that Finland opened a new Consulate General in Mumbai, which will be inaugurated tomorrow (February 10). This further increases the number of Nordic representations in India's commercial capital and will contribute to strengthening India-Finnish ties. Several Indian companies are looking towards Finland for its expertise in areas of technology and innovation, sustainability, digitalisation, carbon neutrality and more. An increasing number of Indian students, researchers, and experts have been moving to Finland as well. Finnish companies such as Nokia and Fortum see India as their largest growth market now and have some of their most significant investments in India.

Trade between Norway and India has doubled in the last three years. The Norwegian Sovereign Wealth Fund is likely to become one of India's largest single foreign investors (around \$17.6 billion). The Norwegian government has also recently established a new Climate Investment Fund for investments in renewables abroad, and India has been defined as a focus country. Almost

₹1,500 crore have been invested so far in India through the climate investment fund, and the number of investments is increasing rapidly.

However, there is still significant untapped potential for trade and further collaboration.

Both Norway and Finland have ongoing free trade agreement and investments negotiations (FTA) with India. Finland, as a member of the European Union (EU), is a part of the EU-India FTA negotiations, and Norway is negotiating through the European Free Trade Association. Finalising the free trade and investments agreements with India is a priority for us. There are very few issues that are outstanding, and we are convinced that it should be possible to conclude negotiations swiftly.

The Indian Minister for Commerce and Industry, Piyush Goyal, has stated that today's trade agreements must be fair, equitable and balanced. We very much agree with these perspectives. This is a priority for us too. Our trade agreements have an ambition to be comprehensive and mutually beneficial.

There is a great deal of complementarities in our trade relations, as our exchange in goods is of a different nature. In addition, trade in services is an area of significant potential, especially with tourism, education, IT, energy, maritime and financial services.

As India takes rapid strides into a green, digital, and innovative future, Nordic countries such as Finland and Norway stand ready to share experiences and be a part of India's transition. Although we are significantly smaller than India population-wise and are located on the other side of the globe, we do have world-leading technologies and expertise to offer. Technologies and innovations that are successful and are scaled-up in India can easily be transferred to other parts of the world. Together, the Nordics and India can be the powerhouse of the green transition globally.

Turkey, Syria quake deaths near 12,000

Agence France-Presse

ISTANBUL

The death toll from a massive earthquake that struck Turkey and Syria rose above 11,700 on Wednesday as rescuers raced to save survivors trapped under debris in the winter cold.

Officials and medics said 9,057 people had died in Turkey and 2,662 in Syria from Monday's 7.8-magnitude tremor, bringing the total to 11,719.

For two days and nights since the quake, thousands of searchers have worked in freezing temperatures to find those still alive under flattened buildings on either side of the border. Turkish Red Crescent chief Kerem Kinik had warned that the first 72 hours were critical in search and rescue efforts but pointed to complications of "severe weather conditions".

CONTINUED ON

» PAGE 10

Is there a change in German policy towards Russia?

What led Germany to change its stance of diplomacy and dialogue towards Russia to a more assertive one? Does the trade of energy between the two countries factor in their political relationship?

V. Srivatsal

The story so far:

After months of political debate, the German government announced on January 25 that it would send Leopard 2 main battle tanks (MBTs) to Ukraine. The decision marks Germany's shift from its policy of Ostpolitik – an approach followed in an effort to bridge Berlin's divisions and “bring change through trade”.

How did Germany's policy towards Russia evolve in the 20th century?

Germany's relationship with Russia has always been critical to European security and prosperity. Soon after the Bolshevik revolution and Germany's defeat in the First World War, the Soviet Union and the newly born German republic signed the Treaty of Rapallo, establishing diplomatic

relations. In August 1939, as war clouds were hovering around Europe, Nazi Germany and the Soviet Union signed a non-aggression agreement, which eventually collapsed in 1941 when Hitler invaded the latter. After the Second World War, Germany was divided between the Soviet backed East Germany and the U.S.-backed West Germany. Gradually in 1971, with the adoption of 'Ostpolitik' by West German Chancellor Willy Brandt, significant economic interaction began between the two sides. As a result of this policy, Germany signed an agreement and started importing Russian natural gas for the first time. It was a widely shared belief that economic interdependence could foster better political ties.

What about post-Cold War period?

In the post-Soviet world, a unified Germany doubled down on its efforts to

promote ties with Russia. The efforts to promote political ties through energy trade continued even as Vladimir Putin and Gerhard Schroder rose to leadership in Russia and Germany, respectively. The Nord Stream 1 pipeline, transporting gas directly from Russia to Germany, was a result of these changing equations. The energy relationship went hand-in-hand with the political relationship. Regardless of Russia's actions in Georgia (2008) and Crimea (2014), the German political establishment continued enhancing Germany's energy reliance on Russia.

How has the war in Ukraine impacted Germany's foreign policy?

As Russia invaded Ukraine on February 24, 2022, Germany's policy underwent a fundamental shift. Chancellor Scholz declared the war a *Zeitenwende* (turning point), and since then, Germany's policy

has moved away from an emphasis on dialogue and diplomacy to a more assertive stance, culminating in the decision to send Leopard 2 MBTs to Ukraine. In the initial phases of the war, Berlin believed that a diplomatic solution was possible to bring an end to the conflict. However, as the war progressed, Germany amended several of its previous policies that shaped its orientation towards Russia.

What has been Germany's response since the war?

One of the key factors driving this change in policy is Germany's recognition of the need to reduce its dependence on Russian energy. Soon after Mr. Putin recognised Ukraine's Donetsk and Luhansk provinces as independent republics, Germany stalled the Nord Stream 2 pipeline, which was ready for operation. Subsequently, it announced the construction of four floating terminals and two permanent onshore sites for enhanced LNG imports, struck an energy deal with Qatar, and supported numerous rounds of EU sanctions against Russian entities. Germany also worked with other European capitals to assure swift delivery of arms and aid to Ukraine. Germany's gradual shift towards a more robust policy towards Russia is a testament to the changing realities of Europe's security landscape.

THE GIST

After months of political debate, the German government announced on January 25 that it would send Leopard 2 main battle tanks (MBTs) to Ukraine.

In 1971, with the adoption of 'Ostpolitik' by West German Chancellor Willy Brandt, significant economic interaction began. As a result of this policy, Germany signed an agreement and started importing Russian natural gas for the first time.

The energy relationship went hand-in-hand with the political relationship. Regardless of Russia's actions in the past, the German political establishment continued enhancing Germany's energy reliance on Russia.

Constitution doesn't allow aldermen right to vote, says SC

Apex court issues notice to L-G and MCD pro tem presiding officer, lists AAP's petition for detailed hearing on February 13

The Hindu Bureau
NEW DELHI

The Supreme Court on Wednesday said the Constitution does not allow nominated members of a municipality the right to vote in meetings, while issuing notice to the Lieutenant-Governor and the pro tem presiding officer of the Municipal Corporation of Delhi (MCD) in a petition filed by the Aam Aadmi Party (AAP) alleging deliberate stalling of mayoral elections for the third time in a row.

"The difference is very substantial between you [elected members] and them [nominated members]," Chief Justice of India D.Y. Chandrachud said in a preliminary hearing.

The three-judge Bench listed the case for detailed hearing on February 13.

AAP mayoral candidate Shelly Oberoi had moved the Supreme Court on January 27 pleading for swift and timely conduct of the mayoral polls after the House was stalled twice – January 6 and 24. She later withdrew the petition while seeking permission to move the court again in case the aldermen were allowed to vote.

Soon after the House was adjourned on February 6, senior AAP leader Manish Sisodia had said that the party would seek the SC's intervention for impartial conduct of the mayoral elections.

Presiding officer

Senior advocate A.M. Singhvi, appearing for Ms. Oberoi on Wednesday, urged that the case concerned "destruction of democracy". He said Article 243U of the Constitution mandates that elections to constitute a municipality should be completed well in time.



Mr. Singhvi pointed out that the MCD elections were held on December 4, 2022, but subsequent polls for the offices of Mayor, Deputy Mayor and members of the Standing Committees have been stalled thrice.

He said the pro tem presiding officer has allowed nominated members to vote in direct violation of Article 243R(2)(iv) of the Constitution.

"It is not just a statute, the Constitution itself does not allow them to vote," Justice P.S. Narasimha remarked at the point.

Mr. Singhvi argued that the pro tem presiding officer [BJP's Satya Sharma] is herself "illegal" as she is not the senior-most member.

"Then she orders all three elections of the Mayor, Deputy Mayor and Members of the Standing Committees to be held together. There is directly a provision that this cannot be done," he submitted.

"Since in terms of Section 76 of the Delhi Municipal Corporation Act of 1957, the Mayor, or in his absence the Deputy Mayor, has to preside over every meeting of the corporation, the simultaneous holding elections of Mayor, Deputy Mayor and members of the Standing Committees is directly contrary to the provisions of the statute," the court recorded Mr. Singhvi's contention in its order.

Bench and bigotry

A judge's appointment exposes the opaque collegium system

The questionable elevation of advocate L. Victoria Gowri as a judge of the Madras High Court epitomises the problematic nature of the system of judicial appointment. It also portends a government-driven project to take over the Bench through its favourites. Ms. Gowri, whose unabashed prejudice against minorities became evident when her past speeches and interviews came to light after her name was approved by the Supreme Court, was sworn in at an oath-taking ceremony organised with great dispatch. Earlier, the Union Law Ministry had processed the recommendation concerning a set of candidates with extraordinary speed not displayed in other cases. It was clear that the government wanted to act ahead of any possible interim order from the Court, which had agreed to hear petitions from a group of lawyers against her appointment. In the process, the government ignored a specific recommendation that R. John Sathyan, an advocate whose candidature was earlier opposed by the Ministry, be appointed first. It is a clear message that the present regime would pick and choose among those approved by the collegium, in a manner informed by its political preferences. That the government repeatedly has its way indicates that the conflict over the appointment process has reached a stage in which the collegium is constantly under pressure to yield to the executive's position on individuals if any meaningful progress is to be made on the perennial process of filling up vacancies.

The challenge to Ms. Gowri's appointment was on the ground that had there been effective consultation and relevant information placed before the collegium, her appointment may not have materialised. Further, by her speeches denouncing Christians and Muslims she had rendered herself ineligible to act without fear or favour; and that she could not be expected to dispense justice without discrimination "on the ground of religion...". However, the Bench rightly rejected the petitions, observing that it cannot revisit the suitability of any appointee after the collegium had decided on it. The Court on the judicial side could not possibly have gone into a choice made by its top three judges. Indeed, it made no sense to refer the collegium's decision to a Bench for review. It is apparent that the State government too had not flagged her extreme views. While political affiliation should not disqualify anyone from judicial office, open bigotry ought to. It is also a signal failure of the collegium process that a controversial proposal could get past its scrutiny. What is needed is more than reform in the appointment system: perhaps, a process that combines an objective evaluation of the candidates' credentials with an independent mechanism that ensures public scrutiny of their suitability. What is in place at present is an opaque, closed-door consensus-building that could leave room for unhealthy compromises.

Collegium rejigs proposals for HCs; Vinod Chandran named for Patna court

He was earlier recommended as CJ of the Gauhati High Court; in a resolution published on Wednesday, collegium recommended the name of Justice Sandeep Mehta for Gauhati

Krishnadas Rajagopal
NEW DELHI

The Supreme Court Collegium recalled its earlier recommendation to appoint a Kerala High Court judge, Justice K. Vinod Chandran, as the Chief Justice of the Gauhati High Court and has proposed his appointment as the Chief Justice of the Patna High Court.

The collegium, headed by Chief Justice of India D.Y. Chandrachud, reasoned that the appointment of the Chief Justice at Patna High Court “is required to be made” following the elevation of Justice Sanjay Karol as a Supreme Court judge on February 4. Justice Karol was the Patna Chief Justice before his appointment to the top court.

The two separate collegium recommendations of Justice Karol and four other judges to the Supreme Court and Justice Chandran and two other judges as Chief Justices of High Courts were both made on December 13, 2022.

The collegium stated that the positions of Chief Justice in various High Courts has fallen vacant owing to retirement and the recent elevations to the Supreme Court.

“Mr. Justice K. Vinod Chandran is the senior-most judge of the Kerala High Court with wide experience. Having regard to the above circumstances, the collegium resolves to recall its earlier recommendation for appointment of Mr. Justice K. Vinod Chandran as Chief Justice of the Gauhati High



Justice K. Vinod Chandran

Court and resolves to recommend that he be appointed as Chief Justice of the High Court of Judicature at Patna, as he is fit and suitable for the same,” the collegium resolution dated February 7 but published on Wednesday said.

Justice Chandran is due to retire on April 24, 2025.

In his place, the collegium has now recommend-

ed Rajasthan High Court judge, Justice Sandeep Mehta, to be appointed as the Gauhati High Court Chief Justice. The position of the Gauhati Chief Justice had fallen vacant following the retirement of Justice R.M. Chhaya. Justice Mehta is due to retire on January 10, 2025.

The collegium, in a separate resolution, recommended Justice Aparesh Kumar Singh to take over as the Chief Justice of the Tripura High Court upon the retirement of Justice Jaswant Singh on February 22.

The collegium noted that it had earlier already recommended the transfer of Justice Aparesh Kumar Singh from Jharkhand to Tripura. He is the senior most judge in the Jharkhand High Court.

The status and proceeds of disinvestment

What does the government aim to achieve with disinvestment? Have targets been met in recent years? Which CPSEs are slated for disinvestment in 2023-24? What measures have been taken to meet the targets? What are the challenges that the process faces?

EXPLAINER

Diksha Munjal

The story so far:

In the Union Budget for 2023-24, the government has set a disinvestment target of ₹51,000 crore, down nearly 21% from the budget estimate for the current year and just ₹1,000 crore more than the revised estimate. It is also the lowest target in seven years. Moreover, the Centre has not met the disinvestment target for 2022-23 so far, having realised ₹31,106 crore to date, of which, ₹20,516 crore or close to a third of the budgeted estimate came from the IPO of 3.5% of its shares in the Life Insurance Corporation (LIC).

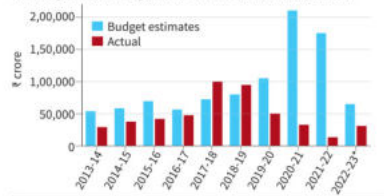
What is disinvestment?

Disinvestment or divestment, in this context, is when the government sells its assets or a subsidiary, such as a Central or State public sector enterprise. Minority disinvestment, majority disinvestment, and complete privatisation are the three main approaches to disinvestment. On fruition of minority disinvestment, the government retains a majority in the company, typically greater than 51%, thus ensuring management control. In the case of majority divestment, the government hands over control to the acquiring entity but retains some stake whereas in complete privatisation, 100% control of the company is passed on to the buyer. The Union Finance Ministry has a separate department for undertaking disinvestment-related procedures called the Department of Investment and Public Asset Management (DIPAM). The government may disinvest in order to reduce the fiscal burden or bridge the revenue shortfall for that year. It also uses disinvestment proceeds to finance the fiscal deficit, to invest in the economy and development or social sector programmes, and to retire government debt. Disinvestment also encourages private ownership of assets and trading in the open market. If successful, it also means that the government does not have to fund

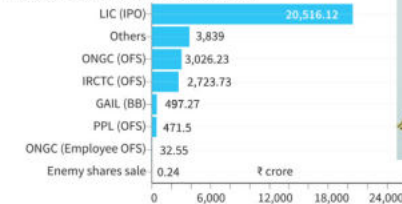
High expectations

The Union Budget 2023-24 has set a disinvestment target of ₹51,000 crore, down nearly 21% from the budget estimate for the current year. With two more months to go in the year, the Centre is yet to meet its disinvestment target.

The budget estimates against the actual realisation of proceeds



The disinvestment proceeds of 2022-23 so far



the losses of a loss-making unit anymore. After the the Atal Bihari Vajpayee-led NDA government's privatisation drive, the stock market saw the listing of shares of a bunch of public sector firms. A bold push for disinvestment of the public sector was expected soon after Prime Minister Narendra Modi assumed office in May 2014, announcing that the government had "no business to be in business".

How has disinvestment fared?

To begin with, different central governments over the last three decades have been able to meet annual disinvestment targets only six times. Since coming to power in 2014, the BJP-led NDA government has met (and overachieved) its disinvestment targets twice. In 2017-18, the government earned disinvestment receipts

of a little over ₹1 lakh crore as against a target of ₹72,500 crore, and in 2018-19, it brought in ₹94,700 crore when the target was set at ₹80,000 crore. Notably, PRS Legislative Research points out that in recent years, in cases of disinvestment where the government sold more than 51% of its shareholding in Central Public Sector Enterprises (CPSEs), along with a transfer of management control, its stake was sold to another public sector enterprise. Case in point, when the Centre exceeded its target in 2017-18, it earned ₹36,915 crore by selling Hindustan Petroleum Corporation Limited (HPCL) to the state-owned Oil and Natural Gas Corporation (ONGC). Similarly, in 2018-19, REC Limited was sold to the state-owned Power Finance Corporation Limited, through which the government raised ₹14,500 crore. In 2021-22, when Air

India was added to the Tata group, the Centre missed its high disinvestment target of ₹1.75 lakh crore by a significant margin, raising just ₹13,534 crore in disinvestment proceeds. In the current year, a third of its budget estimate came from the delayed LIC IPO, which would have happened in the previous year if not for market volatility. The sale of the 52.8% stake in Bharat Petroleum (BPCL) had to be called off in mid-2022 because almost all the bidders had withdrawn. The strategic sale of Central Electronics was also shelved due to lapses in the bidding process and the Pawan Hans stake-sale did not take off as well. While the Neelachal Ispat Nigam Ltd. (NINL) was sold to a steel entity of the Tata group, no sale proceeds accrued to the Centre's exchequer as it held no equity in the company. With ₹31,106 crore in the exchequer as disinvestment proceeds so far, and less than two months remaining in the current fiscal, the government is likely to miss its target.

Which CPSEs are likely to see disinvestment?

The Centre is not going to add new companies to the list of CPSEs to be divested in 2023-24 and the aspirational divestments of two public sector banks and one general insurance firm, announced in the Budget two years ago, will also not be a part of the plan. According to DIPAM, the government has decided to stick to the already-announced and planned privatisation of state-owned companies. Incidentally, the disinvestments of Bharat Petroleum Corporation Limited, SCL, and ConCor had been approved by the government in 2019 but have not gone through yet. Observers point out that disinvestment should ideally be driven by the long-term vision of the government and not by the need to raise revenues. However, of late, the government's reliance on disinvestment proceeds to bridge the gap in the Budget has been increasing. It had introduced a new disinvestment policy in 2021 to maintain 'bare minimum' presence in strategic sectors like atomic energy, defence etc., and exit non-strategic sector enterprises.

THE GIST

In the Union Budget for 2023-24, the government has set a disinvestment target of ₹51,000 crore, down nearly 21% from the budget estimate for the current year and just ₹1,000 crore more than the revised estimate.

Disinvestment or divestment, in this context, is when the government sells its assets or a subsidiary, such as a Central or State public sector enterprise. Minority disinvestment, majority disinvestment, and complete privatisation are the three main approaches to disinvestment.

The Centre is not going to add new companies to the list of CPSEs to be divested in 2023-24 and the aspirational divestments of two public sector banks and one general insurance firm, announced in the Budget two years ago, will also not be a part of the plan.

RBI lifts loan costs to tame inflation

Banking system now much stronger to be affected by one case, says Das; Monetary Policy Committee raises Q1 FY24 growth forecast to 7.8%

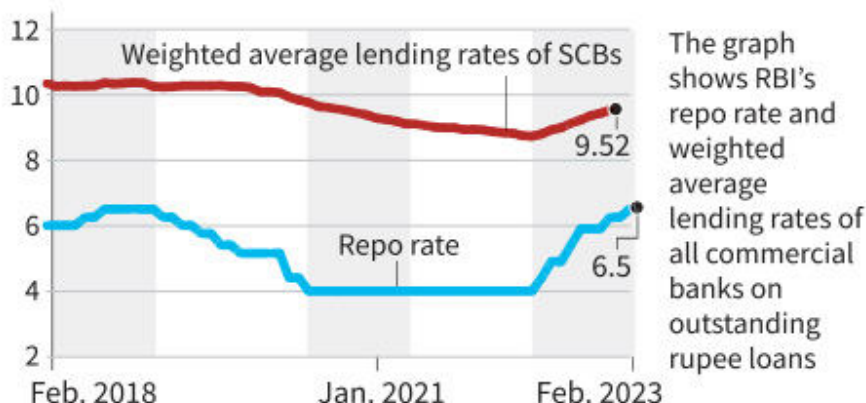
The Hindu Bureau
MUMBAI

The Monetary Policy Committee (MPC) of the Reserve Bank of India on Wednesday raised the benchmark lending rate by 25 basis points (bps) to 6.5% as the RBI targets persistently high core or underlying inflation that it sees as a risk to the improving outlook for the economy.

Observing that the rate increases since May were still working their way through the system, Governor Shaktikanta Das said, “The MPC was of the view that further calibrated monetary policy action is warranted to keep inflation expectations anchored, break the persistence of core inflation and thereby strengthen the medium-

Trending upwards

The 25 basis points rate increase by the RBI may soon push the lending rates of scheduled commercial banks even higher



term growth prospects.”

The MPC, which lowered its CPI inflation forecast for the current fiscal year to 6.5% from the 6.7% it projected at its last policy meeting in December and raised its growth estimate for Q1 of the fiscal year beginning in April by 70 bps to 7.8%, also reiterated that it would stay focused on withdrawal of accommo-

dation. Two of the panel's six members, however, voted against the majority decision to raise rates.

Answering reporters' questions on the Adani group, Mr. Das said the Indian banking sector was strong and that one case would not impact it.

CONTINUED ON
» PAGE 10

RBI lifts loan costs to tame inflation

“At this point of time, I would like to say that the Indian banking system, including the NBFC sector, continues to be resilient and strong. Based on our assessment, the large exposure guidelines of the RBI have been fully complied with by all the banks. The strength, the size and the resilience of the Indian banking system is now much larger and much stronger to be affected by an individual incident or a case,” the RBI Governor emphasised.

“When banks lend money to a company, they do not lend on the basis of the market capitalisation of that particular company. They lend on the basis of strength of that company and fundamentals,” he added, without naming a company or group.

Speaking on the economy, Mr. Das said: “The Indian economy remains resilient... it has withstood successive global shocks over the last three years.” Noting that inflation had shown signs of moderation and the “worst is behind us”, Mr. Das said still the RBI could not afford to take its eyes off inflation.

“We need to see a decisive moderation in inflation. We have to remain unwavering in our commitment to bring down inflation... monetary policy has to be tailored to ensuring a durable disinflation process,” he added.

The RBI chief said the real policy rate had moved into positive territory and the banking system had exited from the *chakravyuh* of excess liquidity without causing any disruption. The monetary policy transmission was also picking up, he added.

RBI move to hit demand for affordable housing: realtors

Real estate sector hoping Reserve Bank will pause on rate increase going forward; industry captains see an increase in home loan rates offered by banks following Wednesday's rate action

Press Trust of India
NEW DELHI

The RBI's decision to raise the repo rate by 25 basis points will result in an increase in interest rates on home loans and may impact demand for affordable and low-to-mid-income housing segments, according to property developers and consultants.

The real estate industry is also hoping that RBI's move on Wednesday would be the last round of increase in the repo rate.

Realtors' apex body

Dampening effect

Continuous rise in interest rates will hurt borrowing sentiment for individuals and businesses alike, say industry captains



■ One realtor notes that the 250-basis points increase in repo rate since May needs to be 'warranted' before it impacts economic growth trend

■ Another expects a pause for at least a year for businesses to come out of the 'tightening' monetary policy

■ Still, overall housing demand is expected to sustain despite the rate increase, say realty sector officials

CREDAI National President Harsh Vardhan Patodia said the continuous increase in interest rates would dampen sentiment

in borrowing for individuals and businesses alike.

NAREDCO National Vice Chairman Niranjana Hiranandani said, "The out-

rageous hike of 250 basis point since May... needs to be warranted before it turns negative for the ascending Indian economic growth curve."

The impact of the increase on home loan interest rates would be a deterrent in the affordable housing segment, Mr. Hiranandani added.

Real estate consultant Anarock Chairman Anuj Puri said, "With repo rates now at 6.5%, there could be some repercussions on housing uptake as home loan interest rates will head further north.

Surface-to-air missile: DRDO working to fix a few glitches

Dinakar Peri

NEW DELHI

The indigenous Quick Reaction Surface-to-Air Missile (QRSAM) being developed by the Defence Research and Development Organisation (DRDO) is set to be tested again in April with some changes suggested by the Army.

“The mission reliability has to be improved and some glitches have to be fixed. The DRDO is already working on it,” a defence source said. The QRSAM with a range of 25-30 km is a pressing requirement for the Army.

The missile was last tested in September 2022 with six flight-tests conducted from Integrated Test Range (ITR) Chandipur, off the Odisha coast as part of evaluation trials by the Army. The missile is designed to operate on the move with search and track capability and fire on a short halt.

6,775 URLs blocked in 2022, panel met 53 times

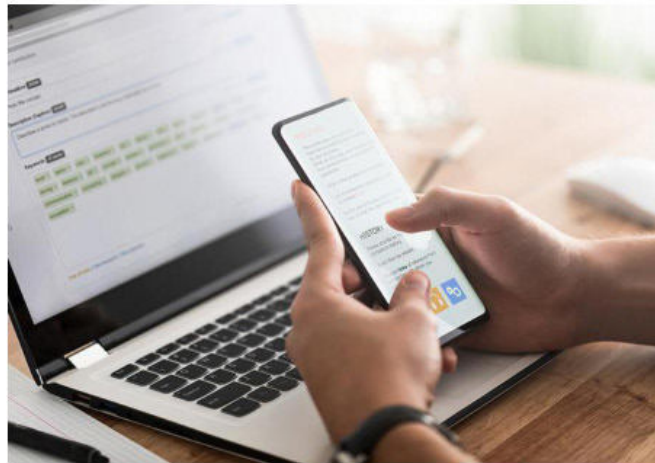
The previous highest was 9,849 in 2020, when the government blocked several posts on social media that were critical of its handling of the pandemic; in 2021, there were 6,096 block orders

The Hindu Bureau
NEW DELHI

A committee to consider blocking requests under the Information Technology (Procedure and Safeguards for Blocking for Access of Information for Public) Rules, 2009, met 53 times in 2022, the Ministry of Electronics and Information Technology told Parliament on Wednesday.

The government issued orders directing the “blocking [of] a total of 2,799; 3,635; 9,849; 6,096 and 6,775 URLs during the years 2018, 2019, 2020, 2021 and 2022, respectively”, Minister of State for Electronics and IT Rajeev Chandrasekhar said in a written reply, in response to a question by Congress MP Karti P. Chidambaram.

In 2020, the govern-



Keeping track: Blocking requests are considered under the provisions of Section 69A of the IT Act, 2000. ISTOCKPHOTO

ment blocked several posts on social media that were critical of its handling of the pandemic, and also advised social media platforms to curb posts that called the Delta variant of the SARS-CoV-2 virus an “Indian” one. After that year, 2022 represents the highest number of block-

ing orders issued to Internet providers and social media platforms.

An RTI response obtained by the Commonwealth Human Rights Initiative (CHRI) reveals that of the 6,775 posts and websites, almost half were posts on Twitter. The social media platform has been

fighting against some take-down orders in the Karnataka High Court, but after the company was acquired by businessman Elon Musk, it has said that legal requests that are valid and from an authorised entity will be complied with.

“If the Twitter and non-Twitter URLs are taken together, the average for blocking orders recommended by the Review Committee under Rule 7 in 2021 is hundreds per month,” CHRI director Venkatesh Nayak wrote in an analysis.

“The Secretary [of] MeitY and the Committee are required to apply their mind to hundreds of such orders every month before giving their approval,” Mr. Nayak pointed out. “How much time they have actually devoted to such matters is anybody’s guess.”

India developing border connectivity due to China concerns: Jaishankar


Suhasini Haidar
NEW DELHI

India's connectivity projects with Bhutan, Bangladesh, Nepal and Myanmar have been accelerated due to its "obvious" concerns about the frontier with China, External Affairs Minister S. Jaishankar said on Tuesday. He cited a number of infrastructure projects along the Line of Actual Control (LAC), and border connectivity efforts with "friendly neighbours", including all nations which share land borders with India, except Pakistan.

"We have focused on rapid development of infrastructure along the northern borders with China for obvious strategic reasons," Mr. Jaishankar told a group of journalists, ahead of an expected attack by Opposition parties in Parliament on the ongoing military stand-off with China at the LAC.

On Monday, Congress



 Work began last month on the strategically important 135-km-long Chushul-Dungti-Fukche-Demchok road in the Ladakh region

S. JAISHANKAR
External Affairs Minister

MP Manish Tewari gave an adjournment notice, which was subsequently rejected, to discuss what he called "China's land grab", including the recent official report for a security conference on the loss of access to 26 of 65 patrolling points at the LAC, which had been reported in *The Hindu*.

Upcoming visits

Mr. Jaishankar also told journalists that work began last month on the strategically important 135-km Chushul-Dungti-Fukche-Demchok road in the Ladakh region, the news agency PTI reported.

The Minister's statement, one of the rare times that the government has expressly articulated the Chinese challenge at the LAC since April 2020, is significant as it comes three weeks before a visit by Chinese Foreign Minister Wang Yi.

Mr. Wang is expected to visit Delhi for the G-20 Foreign Ministers' meeting on March 1 and 2, and is also invited to the Shanghai Cooperation Organisation (SCO) Foreign Ministers' meeting in Goa in early May. Chinese President Xi Jinping will also be invited to the SCO Summit being planned in June this year,

and to the G-20 summit in September.

According to a document circulated by the government, the length of roads constructed in the "China-border areas" during the last eight years (6,806 km between 2014-2022) was nearly double the length of roads constructed in the preceding six years (3,610 km between 2008-2014). It claimed that the same was true for bridge construction in border areas.

In addition, the document listed road, rail, bridge and port connectivity projects in the neighbourhood, including the development and modernisation of integrated checkpoints for smoother trade flows with Nepal, Bangladesh, and Bhutan.

In Nepal, the government has committed ₹500 crore for the construction of 10 roads, and is working on rail links with all neighbours to India's north and east.

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

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

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