

VEDHIK

DAJLY NEWS

ANALYSIS

28 - J A N U A R Y - 2 0 2 2

FOREWORD

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

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

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

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Central Asia meet forms Afghan group

PM says countries 'concerned about the developments in Afghanistan'; leaders discuss connectivity

SUHASINI HAIDAR
NEW DELHI

Overcoming the lack of land connectivity between India and Central Asia's landlocked countries was one of the "main issues of discussion" during the first India-Central Asia Summit hosted by Prime Minister Narendra Modi with the Presidents of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, officials said on Thursday.

The leaders also spoke at length about concerns over Afghanistan, sharing the "same concerns and same objectives" in broader terms and agreed to setting up a Joint Working Group (JWG) of senior officials, said Re-



Prime Minister Narendra Modi at the India-Central Asia Summit, held via video link from New Delhi on Thursday. • PTI

nat Sandhu, Secretary (West) in the Ministry of External Affairs, listing those concerns as the need for immediate humanitarian assistance, ensuring the formation of a truly repre-

sentative and inclusive government, combating terrorism and drug trafficking, and preserving the rights of women, children and minorities.

Mr. Modi tweeted that all

countries at the summit were "concerned about the developments in Afghanistan". "In this context, our mutual cooperation has become even more important for regional security and stability," he said.

More meetings proposed

Mr. Modi also proposed a number of high-level exchanges between the two sides, including biannual summits and annual meetings of the Foreign, Trade and Cultural Ministers and Secretaries of Security (National Security Advisers) to "strengthen cooperation in the areas of political and development, partnership, trade and connectivity, cul-

ture and tourism and security", the officials said, adding that these proposals were accepted, along with a plan to build a "Central Asia Centre" in New Delhi. They also announced two "Joint Working Groups" on Afghanistan and the Chabahar port project.

"Further development of mutual connectivity is essential for enhanced trade and commerce between India and Central Asian countries in the context of their landlocked nature and lack of overland connectivity with India," said the "Delhi Declaration" joint statement issued at the end of the 90-minute summit.

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Central Asia meet forms Afghan group

"The leaders emphasised that connectivity projects deserve priority attention and could be a force-multiplier for trade and economic cooperation and contacts between countries and people," it added, but did not directly refer to the blocks on transit trade imposed by Pakistan.

The leaders discussed possibilities of increasing Indian trade with the region beyond the currently low levels of about \$2 billion, welcoming options over sea provided by Iranian ports including the Chabahar port terminal managed by India and the International North South Transport Corridor (INSTC) through Bandar Abbas that is promoted by Rus-

sia and Iran, and which is due to include both Chabahar and Turkmenistan's Turkmenbashi port.

Notably, the statement recorded that President Gurbanguly Berdimuhamedov had "stressed on the importance of TAPI gas pipeline project" that runs from Turkmenistan's Galknysk oil fields near Mary (Marv) through Afghanistan and Pakistan to India, but did not record any support from India on the project. The TAPI project, inaugurated in 2015, has run into issues over India-Pakistan tensions and the situation in Afghanistan, though the Taliban officials recently said they hope to restart work on the pipeline in September 2022.

No need for third party in LAC talks: China

China, Indian officials have said, has dragged its feet in the negotiations to return to status quo on the LAC, prior to the multiple transgressions by the PLA starting in April 2020.

The PLA spokesperson said there were four points of agreement reached in the last round. "First, the two sides agreed that they should follow the guidance provided by the leaders of the two countries and work for the resolution of the remaining issues at the earliest," he said. "Second, the

two sides agreed to consolidate the previous outcomes and take effective efforts to maintain the security and stability on the ground in the Western Sector including in winter. Third, they agreed to stay in close contact and maintain dialogue via military and diplomatic channels and work out a mutually acceptable resolution of the remaining issues at the earliest. Fourth, they agreed that the next round of the Commanders' talks should be held at the earliest."

EU launches WTO case against China for 'targeting' Lithuania

Beijing allegedly blocked imports, launched trade sanctions

AGENCE FRANCE-PRESSE
BRUSSELS

The European Union angered China on Thursday by launching a case against Beijing at the World Trade Organization (WTO) for targeting Lithuania over its stance on Taiwan.

The move by Brussels was a further deterioration in ties between China and the bloc, with a long-negotiated investment deal already on the rocks after both sides exchanged tit-for-tat sanctions.

The latest spat is over Lithuania, one of the smallest countries in the European Union, which made waves in July when it allowed Taiwan to open a diplomatic outpost in Vilnius.

The move outraged Beijing, which does not recognise Taiwan as a state and considers the self-ruled democratic island a rebellious territory of the mainland.



Taiwanese and Lithuanian flags displayed at Taiwan embassy in Vilnius. ■ REUTERS

“Launching a WTO case is not a step we take lightly,” said the EU’s trade chief Valdis Dombrovskis in a statement.

“However, after repeated failed attempts to resolve the issue bilaterally, we see no other way forward than to request WTO dispute settlement consultations with China,” he said.

The European Commis-

sion handles trade policy for the EU’s 27 member states and takes the lead on conflicts at the WTO in Geneva, even if they involve a single state.

By going to the WTO, the EU lent support to accusations by Lithuanian business leaders and officials that the row has resulted in China blocking imports from Lithuania and other economic restrictions.

The move on Thursday launches a 60-day window for the two sides to come to a solution before moving the dispute to a panel.

Beijing responded bitterly to the move, calling accusations of the “so-called” Chinese coercion “groundless and inconsistent”.

“The issue between China and Lithuania is a political one, not an economic one,” said Chinese Foreign Ministry spokesman Zhao Lijian.

Address Russia’s ‘legitimate concerns’, China tells U.S.

Antony Blinken, in a phone call with Wang Yi, warns of ‘global risks posed by Russian aggression’

ANANTH KRISHNAN
HONG KONG

China’s Foreign Minister Wang Yi on Thursday told his U.S. counterpart Antony Blinken that Russia’s “legitimate concerns” needed to be addressed amid rising tensions over Ukraine.

The U.S. Secretary of State, in the phone call, “underscored the global security and economic risks posed by further Russian aggression against Ukraine and conveyed that de-escalation and diplomacy are the responsible way forward”, the U.S. State Department quoted him as saying.

The phone call on Thursday came as Mr. Blinken said the U.S. had given Moscow a document “setting out a serious diplomatic path for

ward” and highlighting U.S. concerns about Russian actions, including a build-up of troops.

Call for diplomacy
China, which maintains close relations with Russia, has been largely muted on the crisis except for calling for diplomacy.

Mr. Wang’s comments in the call with Mr. Blinken are the strongest yet in support of Russia, whose President Vladimir Putin is scheduled to be in Beijing next week to meet with Chinese President Xi Jinping and attend the opening of the Winter Olympics on February 4.

Mr. Wang said China “calls on all parties to remain calm and refrain from inflaming tensions or hyping up the

crisis” and added that “the security of one country should not be at the expense of the security of others, and regional security should not be guaranteed by strengthening or even expanding military blocs”, referring to NATO.

He said that “Russia’s legitimate security concerns should be taken seriously and addressed.”

On China-U.S. relations, he said “the top priority was for the U.S. side is to stop interfering in the Beijing Winter Olympics, stop playing with fire by playing the ‘Taiwan card’ and stop forming all kinds of small cliques aimed at working against and containing China”. The U.S. has said its officials will boycott the Winter Olympics

– although its athletes are participating – because of human rights violations in Xinjiang.

The U.S. State Department, in a brief readout of the call, said both had “exchanged views on how to advance work together following President Biden’s virtual meeting with President Xi on November 15, 2021, including on managing strategic risk, health security, and climate change.”

Relations between the two sides had plunged amid a trade war and differences over a range of issues from Taiwan to the South China Sea and investigations into the origins of COVID-19, with tensions spiralling under the previous Donald Trump administration.

Some Chinese experts had expected a change of course and greater stability with Mr. Biden taking office. The Biden administration has, however, made clear it would confront China and compete on issues where needed, and seek cooperation where it can.

Many of the previous administration’s policies, particularly on trade, have so far remained in place.

Mr. Wang in the call said there “has been no substantive change in the tone of the U.S. policy towards China and Biden’s pledges have not been fully delivered”. “Pressure will only make the Chinese people more united,” he said, “and confrontation will not stop China from becoming stronger.”

What approach should we adopt to treat Omicron?

PARLEY

If symptoms settle down within four days, there is no need for aggressive treatment

With Omicron becoming the dominant COVID-19 variant in the country, and with its reputation of being a 'milder' form of the disease, there is a debate raging on what treatment methodologies are appropriate. Should we adopt a conservative line or an aggressive line to treat Omicron? The responses to SARS-CoV-2 have been changing constantly, whether in the form of treatment or social restrictions. In a conversation moderated by Ramya Kannan, infectious diseases specialist Dr. V. Ramasubramanian and Dr. Subramanian Swaminathan discuss the question and the challenges of responding to an evolving pandemic. Edited excerpts:



V. Ramasubramanian is Senior Infectious Diseases Consultant, Apollo Hospitals, Chennai



Subramanian Swaminathan is Director, Infectious Diseases and Infection Control, Gleneagles Global Hospitals, Chennai



Scan the QR code to listen to the full interview online

an increasing number of people who are completely miserable due to Omicron because of the fatigue and body ache it causes. I'm seeing a lot of elderly people with mental foginess. They have loss of energy, some of them tend to buckle and fall, some have had a fall in blood pressure. None of this would qualify as severe disease, but the symptoms in older people can be dangerous.

So, while treating COVID-19, presumably since the dominant strain is now Omicron, do we take a conservative approach or a more aggressive path?

Dr. Ramasubramanian: It's a difficult question in the sense that there are people who can become sick – for instance, the elderly with co-morbidities can end up very sick. But if you look at the percentage of people who become sick, it's very small compared to the number of people who fall ill and have symptoms, which is significantly higher than what we saw with Delta. So, people who are elderly, have co-morbidities, or people who are unvaccinated can fall ill. But this percentage is very small.

Because [symptoms in] most people settle in three to four days, we have a window of at least five days before we need to react to it. I don't think we should hurry and give something on the first or second day of the infection. So, my advice has been to wait for three to four days. If by the fourth day, the patient is feeling significantly better, which is what happens to most people, they should be fine. But if by day four or five, they are not settling down, the patient is not feeling better, we need to probably act.

Dr. Subramanian: I agree with that. Jumping the gun and running for medicines for every patient is probably ill advised. I think we should be very generous with things like paracetamol. Rest, drink lots of fluids. The [symptoms in] the majority of patients are going to settle very nicely.

Is vaccination helping keep death, severe disease and hospitalisation at bay? Are



APRIL RAMASUBRAMANIAN

more children infected now?

Dr. Subramanian: The vaccine campaign has been one of the major victories that we've had in reducing the impact of COVID-19. That is certainly making a difference. The question is, how long does immunity last and how effective is it, especially in the most vulnerable groups? Obviously, the unvaccinated do remain a significant vulnerable group. However, we are noticing that among patients 70 years and above, especially those who have multiple co-morbidities, if the second dose of the vaccine was administered to them more than six months ago, it seems as though it is not protecting them adequately. Those who had received the second dose of the vaccine within the last six months didn't seem to do so badly, irrespective of their age. So, I think there is some value in the booster dose. And I really wish we had started administering the third dose earlier.

And yes, we are getting a lot of children and adolescents coming in with fever. But thankfully, the majority of children do not have a problem. Just watching symptoms and providing symptomatic therapy is enough. My colleagues are telling me that children are coming in with fever-induced seizures. It's too early for us to say if there is a real link with COVID-19 or is just happenstance. But that's something that we need to observe very carefully.

in preventing serious infections, whether it is Omicron or Delta, is very well established. But one thing I would like to add is, even though we are looking at administering three doses for most people, I think the priority is to ensure the two doses are given to the entire population.

How do you deal with the constantly changing goal posts for treatment for COVID-19?

Dr. Subramanian: The process of data gathering is not necessarily linear or streamlined. If we look at medicine as such, we have evolved our way of looking at the data and understanding the science of it in a much better way right now than we did, say, 50 years ago.

When you have a new problem, and a new molecule, and new drugs, if there is one study done very well with enough numbers, it may be fairly useful in concluding the path ahead. But we need to do studies in different settings and populations, and then decide how it works. During an evolving pandemic, what is true in one way may or may not be applicable in the second wave, especially when it comes to antivirals. That's exactly where we're going.

The third thing is that it also depends on the kind of population we are looking at. For example, a lot of the studies, on the basis of which we have got approvals for various drugs, were done on people who were unvaccinated. But now, nearly all the people who are coming in are vaccinated.

When we talk about COVID care, there are two parts to it – antivirals and the treatment of hypoxia. And the good news is that for the second part of the treatment, which is treatment of severe COVID-19, which is basically lung injury, the data on treatment are fairly clear. The antiviral use is a moving target and it changes based on where you are and who you are studying.

Dr. Ramasubramanian: Medicine is constantly evolving. But what we have to understand is that there are two issues. One is medical and the other is advocacy. If you look at the medical evidence, this should be based purely on science, purely on randomised control studies. But these kinds of trials and studies take time, you cannot be waiting around

to come up with advocacy. The advocacy will involve political issues, logistic issues, such as the question of lockdown.

In the early part of the pandemic, all kinds of drugs were recommended for all kinds of situations. That has been streamlined. So, we have definitely become a lot better in our approach to handling this crisis. But we need to understand that this situation is constantly evolving. Earlier, nobody was vaccinated; now we have a vaccinated population. So, would the same drugs work? It depends on the population dynamics and behaviour; on the susceptibility of each person to infection, whether they are unvaccinated/vaccinated; on the immune response to earlier infections. And most importantly, it would depend on the variants and how they behave. So, the bottom line is, this is still constantly evolving, and we need to learn along the way.

Is it possible to ensure that certain recommended protocols are implemented across the country?

Dr. Subramanian: It's a pretty complex area. While COVID-19 has shone a spotlight on it, it is happening everywhere else. So, therefore, while the government has had very detailed guidelines on treatment for several diseases, not many doctors are aware of them. There is obviously a problem in education and dissemination, and that needs to be addressed. These protocols should be strictly followed in academic institutions. Only if that happens will we be able to fix the private sector.

Dr. Ramasubramanian: With regard to COVID-19, even with evidence there is a problem because this is constantly evolving and what was true two months ago may not be valid now. In the Indian situation, one more complication is the spectrum of care which is given to the patient, unlike in the U.S. or the U.K., where the standard of care is a very small band and the best and the worst fall within the band. In India, the best hospital is probably on par with or better than some hospitals in the West, but the worst hospitals are really bad. So, it is very difficult to come up with guidelines to cover this entire spectrum of population and healthcare delivery.

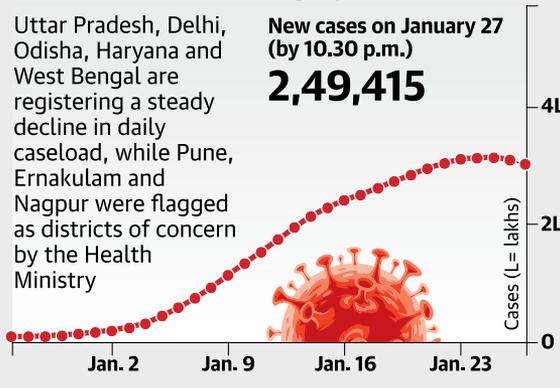
Plateauing wave

The graph depicts the seven-day average of new COVID-19 cases in India. In the past week, the growth rate of cases has reduced slightly

Uttar Pradesh, Delhi, Odisha, Haryana and West Bengal are registering a steady decline in daily caseload, while Pune, Ernakulam and Nagpur were flagged as districts of concern by the Health Ministry

New cases on January 27
(by 10.30 p.m.)

2,49,415



Early signs of a flat caseload, says govt.

Need to track changes: Health Ministry

BINDU SHAJAN PERAPPADAN
NEW DELHI

There are early indications of a plateau in COVID-19 cases being reported in certain geographies, but the trend needs to be observed and required precautions need to be continued, the Union Health Ministry said on Thursday.

At the weekly briefing, Lav Agarwal, Joint Secretary, Health Ministry, said 10 States contributed to more than 77% of the total active cases in the country. Karnataka, Maharashtra, Kerala and Tamil Nadu led the tally.

90% in home isolation

Data released by the Ministry added that Uttar Pradesh, Delhi, Odisha, Haryana and West Bengal were registering a steady decline in daily caseload, while Pune, Ernakulam and Nagpur were flagged as districts of concern. Also more than 90% of active cases are un-

der home isolation at present – indicating mild to moderate clinical severity, Mr. Agarwal said.

“A clear trend in terms of fewer COVID cases requiring oxygen-supported beds or ICU beds has been observed,” he said.

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OPEN THE SCHOOLS ▶ EDITORIAL

2.49 LAKH NEW CASES ▶ PAGE 10

India's economy and the challenge of informality

Policy efforts to formalise the economy will have limited results as the bulk of informal units are petty producers



R. NAGARAJ &
RADHICKA KAPOOR

Since 2016, the Government has made several efforts to formalise the economy. Currency demonetisation, introduction of the Goods and Services Tax (GST), digitalisation of financial transactions and enrolment of informal sector workers on numerous government Internet portals are all meant to encourage the formalisation of the economy. But why the impetus for formalisation? The formal sector is more productive than the informal sector, and formal workers have access to social security benefits.

The above-mentioned efforts are based on the “fiscal perspective” of formalisation. This perspective appears to draw from a strand of thought advanced by some international financial institutions such as the International Monetary Fund, which foregrounds the persistence of the informal sector to excessive state regulation of enterprises and labour which drives genuine economic activity outside the regulatory ambit. It underplays informality as an outcome of structural and historical factors of economic backwardness. Arguably, excessive regulation and taxation ensure the endurance of informal activities. Hence, it is believed that simplifying registration processes, easing rules for business conduct, and lowering the standards of protection of formal sector workers will bring informal enterprises and their workers into the fold of formality.

The fiscal perspective has a long lineage in India going back to tax reforms initiated in the mid-1980s. Early on, in an attempt to promote employment, India protected small enterprises engaged in labour intensive manufacturing by providing them with fiscal concessions and regulating large-scale industry by licensing. Questions of efficiency aside, such measures led to many labour-intensive industries getting diffused into the informal/unorganised sectors.

Further, they led to the formation of dense output and labour market inter-linkages between the informal and formal sectors via sub-contracting and outsourcing arrangements (quite like in labour abundant Asian economies). In the textile industry, the rise of the power looms at the expense of composite mills in the organised sector and handlooms in the unorganised sector best illustrates the policy outcome. While such policy initiatives may have encouraged employment, bringing the enterprises which benefited from the policy into the tax net has been a challenge. The challenge is only partly administrative. Political and economic reasons operating at the regional/local level in a competitive electoral democracy are responsible for this phenomenon, too.

Sign of underdevelopment

Undoubtedly, widening the tax net and reducing tax evasion are necessary. However, global evidence suggests that the view that legal and regulatory hurdles alone are mainly responsible for holding back formalisation does not hold much water. A well-regarded study, ‘Informality and Development’ (<https://bit.ly/3KOBVx3>), argues that the persistence of informality is, in fact, a sign of underdevelopment. Across countries, the paper



finds a negative association between informality (as measured by the share of self-employed in total workers) and per capita income. The finding suggests that informality decreases with economic growth, albeit slowly. A similar association is also evident across major States in India, based on official PLFS data. Hence, the persistence of a high share of informal employment in total employment seems nothing but a lack of adequate growth or continuation of underdevelopment.

Transformation in Asia

The defining characteristic of economic development is a movement of low-productivity informal (traditional) sector workers to the formal or modern (or organised) sector – known as structural transformation. East Asia witnessed rapid structural change in the second half of the 20th century as poor agrarian economies rapidly industrialised, drawing labour from traditional agriculture. However, in many parts of the developing world, including India, informality has reduced at a very sluggish pace, manifesting itself most visibly in urban squalor, poverty and (open and disguised) unemployment.

Despite witnessing rapid economic growth over the last two decades, 90% of workers in India have remained informally employed, producing about half of GDP. Combining the International

Labour Organization's widely agreed upon template of definitions with India's official definition (of formal jobs as those providing at least one social security benefit – such as EPF), the share of formal workers in India stood at 9.7% (47.5 million). Official PLFS data shows that 75% of informal workers are self-employed and casual wage workers with average earnings lower than regular salaried workers. Significantly, the prevalence of informal employment is also widespread in the non-agriculture sector. About half of informal workers are engaged in non-agriculture sectors which spread across urban and rural areas.

It has many layers

It needs to be appreciated that informality is now differentiated and multi-layered. Industries thriving without paying taxes are only the tip of the informal sector's iceberg. What remains hidden are the large swathes of low productivity informal establishments working as household and self-employment units which represent “petty production”. To conflate the two distinct segments of the informal sector would be a serious conceptual error. Survival is perhaps the biggest challenge for most informal workers (and their enterprises), and precarity defines their existence.

Despite (well-intentioned) efforts at formalisation, the challenge of informality looms large for India. The novel coronavirus pandemic has only exacerbated this challenge. Research by the State Bank of India recently reported the economy formalised rapidly during the pandemic year of 2020-21, with the informal sector's GDP share shrinking to less than 20%, from about 50% a few years ago – close to the figure for developed countries. As we have

argued elsewhere (<https://bit.ly/3G6JtST>), these findings of a sharp contraction of the informal sector during the pandemic year (2020-21) do not represent a sustained structural transformation of the low productive informal sector into a more productive formal sector. They are a temporary (and unfortunate) outcome of the pandemic and severe lockdowns imposed in 2020 and 2021. The informal sector will perform spring back to life soon, for sheer survival, to produce whatever it can, using its abundant labour and meagre resources.

The necessary elements

Policy efforts directed at bringing in the tip of the informal sector's iceberg into the fold of formality by alleviating legal and regulatory hurdles are laudable. However, these initiatives fail to appreciate that the bulk of the informal units and their workers are essentially petty producers (self-employed and casual workers) eking their subsistence out of minimal resources. Therefore, these attempts will yield limited results. The continued dominance of informality defines underdevelopment. Policy-induced restrictions are minor irritants, at best. The economy will get formalised when informal enterprises become more productive through greater capital investment and increased education and skills are imparted to its workers. A mere registration under numerous official portals will not ensure access to social security, considering the poor record of implementation of labour laws.

R. Nagaraj is with the Centre for Development Studies, Thiruvananthapuram. Radhicka Kapoor is with the International Council for Research on International Economic Relations, New Delhi

Air India back in Tata Group hangar

Govt. transfers shares to Tata Sons unit Talace

JAGRITI CHANDRA
NEW DELHI

The Union government on Thursday transferred its shares in Air India, along with control and management, to the Tata Sons subsidiary Talace, ending a disinvestment process that started five years ago and saw a failed attempt. The airline has been a public sector undertaking from 1953.

The transaction covers Air India, Air India Express and the government's entire 50% stake in a ground handling company AI SATS.

"We are excited to have Air India back in the Tata

Round Trip | Sixty-nine years since take-off, Air India has flown back to its founder, the Tata Group. Here is a snapshot of the airline's cruise, steady in the initial years and turbulent later



Ahead of times: In this 1962 photo, J.R.D. Tata posing near the Leopard Moth he flew to mark the 30th anniversary of the first flight of Tata Airlines
■ PTI/TATA CENTRAL ARCHIVES

1932: Tata Group founder J.R.D. Tata launches nation's first carrier – Tata Airlines

1946: The aviation division of Tata Sons is listed as Air India

1953: Air India nationalised

1994-95: With emergence of private players, Air India starts losing market share

2000-01: Vajpayee government fails in its bid to sell a 40% stake in the airline

2007: Air India merges with Indian Airlines, starts incurring losses

March 2018: Modi

government invites Expression of Interest, offers to sell a 76% stake

May 2018: No bids received

January 2020: Government floats Eol to sell 100% stake

September 2021: Tata Group, SpiceJet promoter Ajay Singh put in financial bids

October 8, 2021: Tata Group makes winning bid of

₹18,000 crore

January 27, 2022: Tata Group gets Air India ownership



Back home: Tata Sons Chairman N. Chandrasekaran at the Air India office in New Delhi on Thursday. ■ PTI

Group and are committed to making this a world-class airline. I warmly welcome all the employees of Air India to

our Group and look forward to working together," N. Chandrasekaran, chairman, Tata Sons, said. He met

Prime Minister Narendra Modi.

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Air India back in Tata Group hangar

Mr. Chandrasekaran's comment followed the last meeting of the incumbent Board of the airline headed by Secretary, Ministry of Civil Aviation, Rajeev Bansal. Once the transfer was completed, the new Board of the airline held its first meeting.

In a statement, the Tata Group said that it philosophically agreed with the Prime Minister's vision of making the aviation sector affordable.

The government has a total disinvestment target of ₹1.75 lakh crore for the financial year 2021-22.

Tata Sons have paid ₹2,700 crore in cash for the airline, along with taking on a debt of ₹15,300 crore. Of the total debt and liabilities of Air India of ₹77,396 crore, the government will absorb ₹62,096 crore. Some non-core assets of Air India with

a book value of ₹15,834 crore will also remain with the government.

"Formalities have been completed. Air India disinvestment transaction is now closed. The shares have been transferred to Talace. A cash consideration of ₹2,700 crore has been received and the debt of ₹15,300 crore has been accepted [by the new owners]," Secretary, Department of Investment and Public Asset Management, Tuhin K. Pandey told reporters here.

Tatas will get Air India's fleet of 141 planes, along with ownership of iconic brands like Air India, Indian Airlines and the Maharajah.

As many as 13,500 permanent and contractual employees will also move to the Tata fold and have to be retained at least for one year.

Bonds, rupee weaken as Fed tone sparks outflow concerns

U.S. central bank says interest rate increase likely in March

REUTERS
MUMBAI

Indian bond yields spiked while the rupee struck a one-month low on Thursday on concerns of potential outflows after the Federal Reserve delivered a more-hawkish-than-expected update, saying a U.S. interest rate increase was likely in March.

The Fed also reaffirmed plans to end its bond purchases around the same time, calling time on a long phase of easy money. India's benchmark 10-year bond yield rose 7 basis points to 6.73%, its highest since December 19, 2019. Bond yields rise when prices fall.

So far in January, foreign investors have dumped \$2.2 billion of Indian shares after



having bought a net \$3.76 billion in 2021. They had bought \$23.29 billion worth shares in 2020 and \$14.23 billion in 2019. They are still, net buyers of \$575.35 million worth debt so far this month after having sold \$3.66 billion in 2021.

The rupee depreciated by 31 paise to close at a more than four-week low of 75.09 against the dollar. High glo-

bal oil prices have added to bearish pressure on the rupee, as India imports more than two-thirds of its oil needs, and rising fuel costs will spur domestic inflation.

“The concerns around oil are still very much alive and we now have Fed tightening coming up,” a senior trader at a private bank said. Markets are likely to stay jittery, he added, as the Centre is set to deliver its annual budget of February 1, while the Reserve Bank of India's monetary policy committee will meet on February 7-9.

Economists at HDFC Bank expect volatility in the rupee-dollar exchange rate to continue through early February.

(With PTI inputs)

India seen boosting budget spending on infrastructure

'Fiscal constraints limit room for concessions to pandemic-hit households'

REUTERS
NEW DELHI

India plans to raise spending on infrastructure in its annual budget next week to set the economy on a firmer footing, but fiscal constraints leave little chance of concessions for households hurting from the pandemic, officials said.

Asia's third-largest economy is estimated to expand 9.2% in the fiscal year that ends in March, following a contraction of 7.3% in the previous fiscal year.

Yet private consumption, which makes up almost 55% of GDP, is below pre-pandemic levels amid rising household debt, while retail prices have swelled almost a



Pump priming: Spending to beef up transport and healthcare networks may rise by 12-25%. ■ FILE PHOTO/VIVEK BENDRE

tenth since the COVID-19 outbreak in early 2020.

The Feb. 1 budget comes days before the start of elections in five States, which could spur Finance Minister Nirmala Sitharaman to promise higher rural spending

and subsidies on food and fertiliser.

Yet these are likely to be overshadowed by spending to beef up transport and healthcare networks, which analysts estimate could rise between 12% and 25% in the

next fiscal year.

"We will focus on reviving the economy through higher investments, while individual and corporate taxes will be kept steady," one official, who sought anonymity, told Reuters, adding that reviving growth would be a priority.

To attract investments that create jobs and spur growth, Ms. Sitharaman could also boost incentives tied to production.

"Continuing on its capex push, we expect another 25% increase in capital expenditure by the central government ... we expect budgetary allocations for roads, highways and railways to rise," Nomura analyst Sonal Varma said in a note.

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-drawal 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.